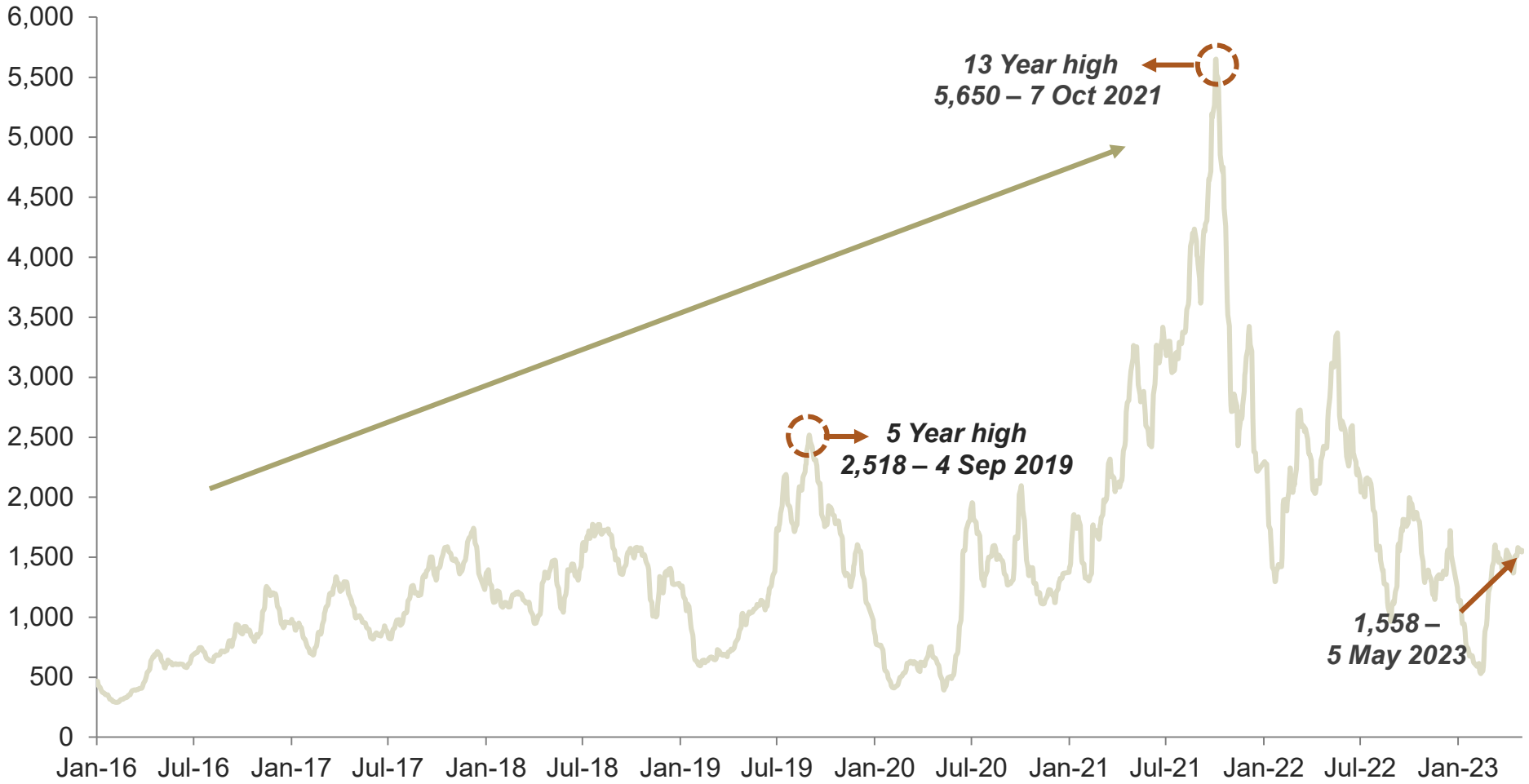
Precious Shipping Public Company Limited

SET Opportunity Day

10th May 2023

Dry Bulk Freight Markets

The BDI since start of 2016

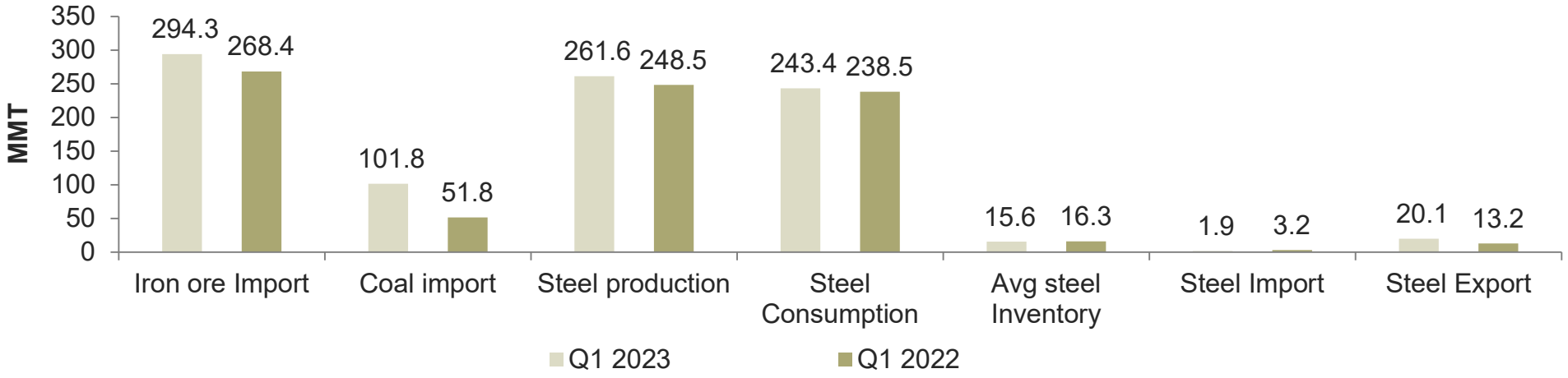


Source: Clarksons Index Timeseries as on 5 May 2023

2022 was good, but look at China's performance in Q1 of 2023!

Latest available Data points on China in Q1 2023 Vs Q1 2022.

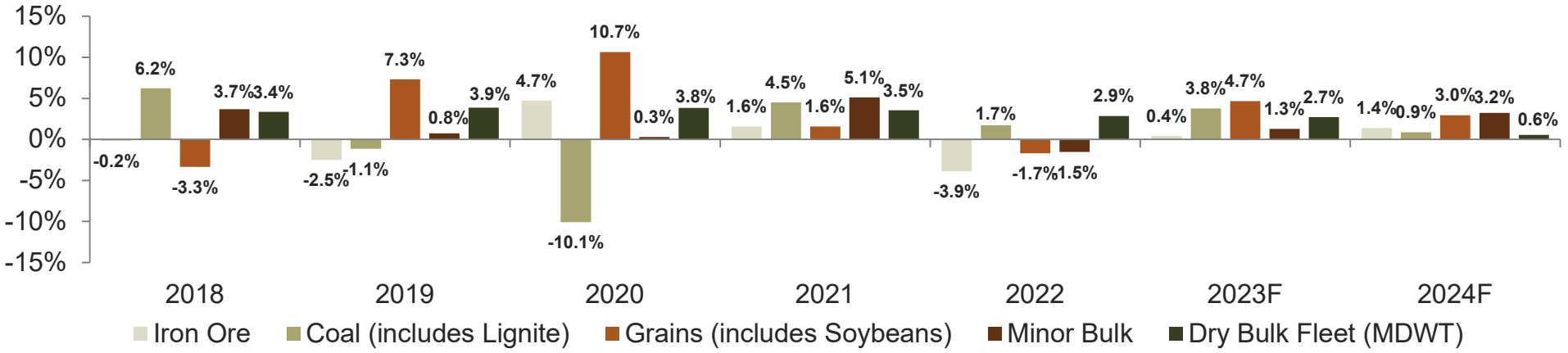
	2022 vs 2021
▪ China's Iron Ore imports in Q1 2023 was 294.3 MMT Vs 268.4 MMT Q1 2022 up by 9.7%.	-1.6%
▪ China's Coal imports in Q1 2023 was 101.8 MMT Vs 51.8 MMT Q1 2022 up by 96.5%.	-9.4%
▪ China's Steel production in Q1 2023 was 261.6 MMT Vs 248.5 MMT in Q1 2022 up by 5.3%.	-1.8%
▪ Monthly average Steel inventory in Q1 2023 was 15.6 MMT Vs 16.3 MMT Q1 2022, down by 4.2%.	-10.1%
▪ Steel imports in Q1 2023 was 1.9 MMT Vs 3.2 MMT in Q1 2022 down by 40.6%.	-26.3%
▪ Steel exports in Q1 2023 was 20.1 MMT Vs 13.2 MMT Q1 2022 up by 52.4%.	+0.9%
▪ Steel consumption in Q1 2023 was 243.4 MMT Vs 238.5 MMT in Q1 2022 up by 2.1%.	-2.3%



Growth in seaborne dry bulk trade – billion tonne-miles

Seaborne Dry bulk Trade							
All Units In Billion Tonne-Miles	**2018**	**2019**	**2020**	**2021**	**2022**	**2023F**	**2024F**
Iron Ore	8,204	8,001	8,380	8,512	8,181	8,217	8,330
Coal (includes Lignite)	5,210	5,151	4,631	4,840	4,925	5,111	5,156
Grains (includes Soybeans)	3,163	3,395	3,757	3,817	3,752	3,928	4,044
Minor Bulk	11,102	11,187	11,220	11,794	11,616	11,765	12,146
Total	**27,679**	**27,733**	**27,989**	**28,962**	**28,474**	**29,021**	**29,676**
Total % Change In Trade	**2.13%**	**0.20%**	**0.92%**	**3.48%**	**-1.69%**	**1.92%**	**2.26%**
Dry Bulk Fleet (MDWT)	**840.82**	**873.43**	**906.99**	**939.15**	**966.03**	**992.5***	**998.0***
% Change in Dry Bulk Fleet (MDWT)	**3.35%**	**3.88%**	**3.84%**	**3.55%**	**2.86%**	**2.7%**	**0.6%**

% age increase over the previous year



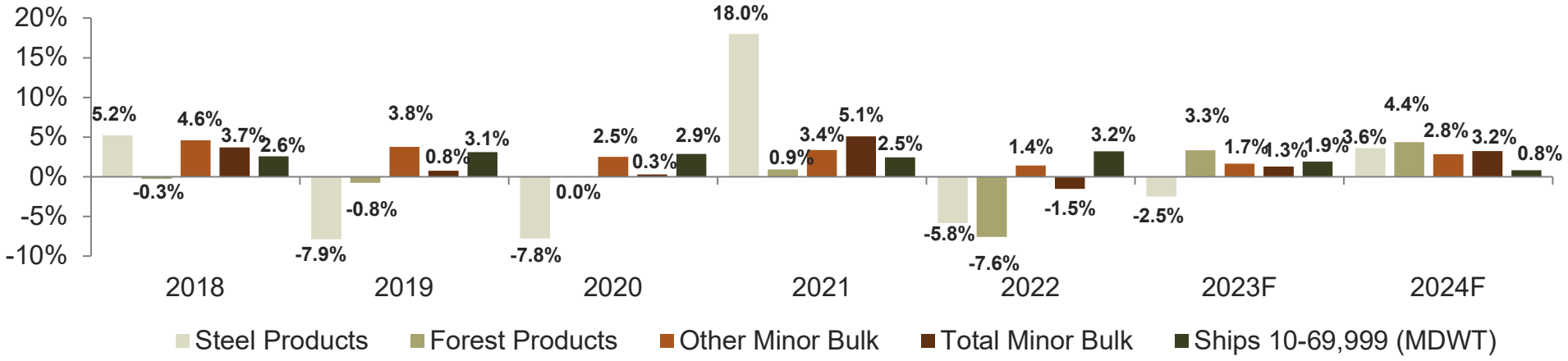
Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 31 Mar 2023

**2023F and 2024F figures from Clarksons Mar 2023 DBTO*

Growth in seaborne minor bulk trade – billion tonne-miles

Seaborne Minor Bulk Trade							
All Units In Billion Tonne-Miles	**2018**	**2019**	**2020**	**2021**	**2022**	**2023F**	**2024F**
Steel Products	2,003	1,845	1,702	2,008	1,891	1,844	1,911
Forest Products	2,237	2,220	2,220	2,240	2,070	2,140	2,233
Other Minor Bulk	6,863	7,121	7,299	7,546	7,654	7,781	8,002
Total Minor Bulk	**11,102**	**11,187**	**11,220**	**11,794**	**11,616**	**11,765**	**12,146**
% Change In Minor Bulk	**3.70%**	**0.76%**	**0.30%**	**5.11%**	**-1.51%**	**1.28%**	**3.24%**
Ships 10-69,999 (MDWT)	**303.80**	**313.20**	**322.20**	**330.10**	**340.73**	**347.3***	**350.2***
% Change In 10-69,999 (MDWT)	**2.57%**	**3.09%**	**2.87%**	**2.45%**	**3.22%**	**1.9%**	**0.8%**

% age increase over the previous year

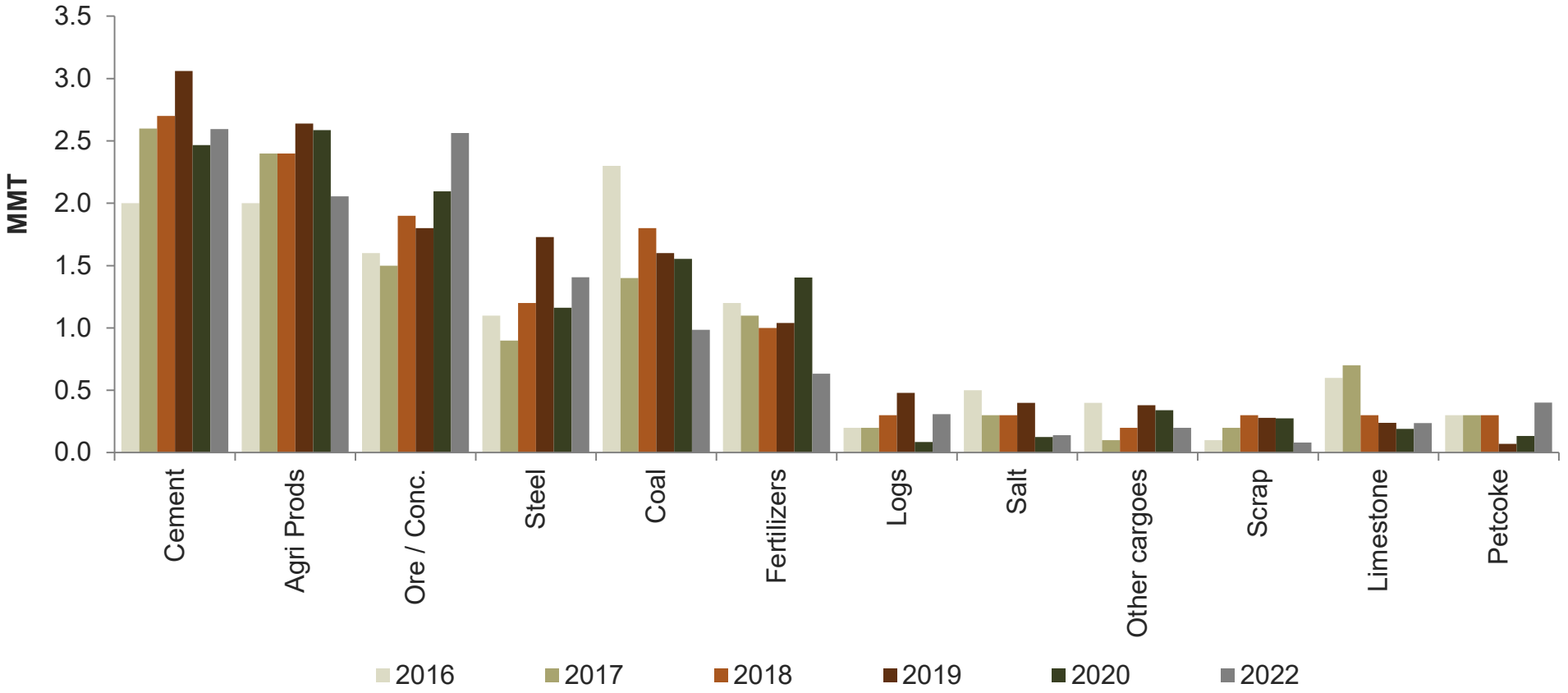


Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 31 Mar 2023

**2023F and 2024F figures from Clarksons Mar 2023 DBTO*

PSL cargo exposure: 2016 – 2022

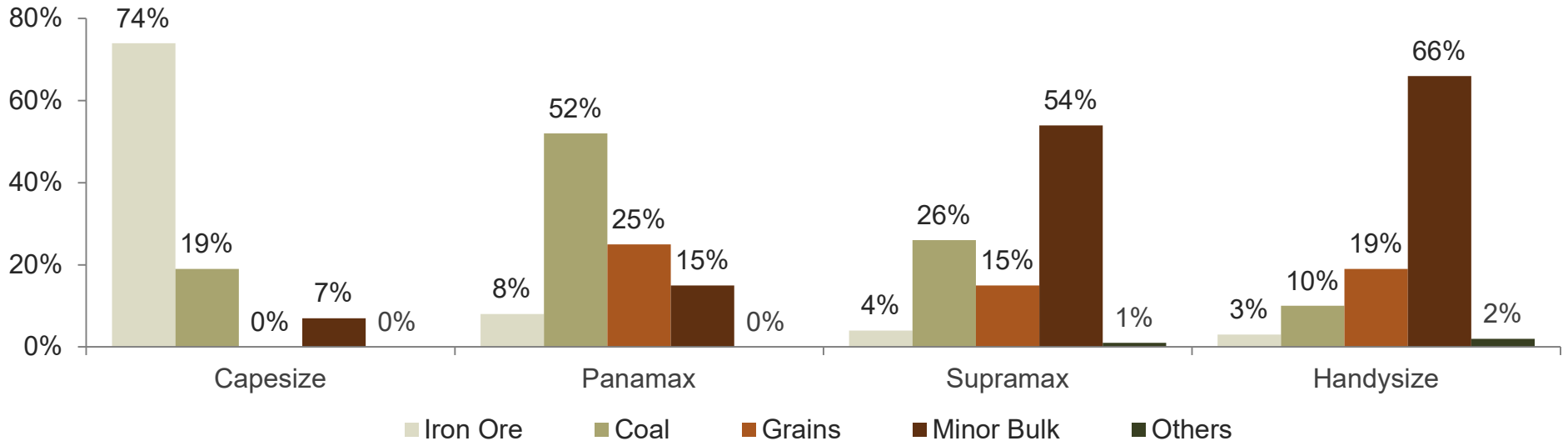
Bulk cargo in the aggregate amount of 12.3MMT, 11.7MMT, 12.7MMT, 13.7MMT, 12.4MMT, 12.6MMT, and 11.6MMT was carried on PSL ships in 2016, 2017, 2018, 2019, 2020, 2021 and 2022 respectively.



Source: PSL as of 31 Dec 2022

Commodities share by different dry bulk sectors

Commodities	Capesize	Panamax	Supramax	Handysize
Iron Ore	74%	8%	4%	3%
Coal	19%	52%	26%	10%
Grains	-	25%	15%	19%
Minor Bulk	7%	15%	54%	66%
Others	-	-	1%	2%



Source: Maersk Broker as of Q1 2023

Dry bulk fleet at the start of Apr 2023

Fleet Overview

Ship Type	DWT Range (MT)	Ships	Av Age (yrs)	Total DWT (m MT)	Av DWT (MT)	% of DWT
Handysize	10,000 – 39,999	4,332	13.52	115.97	26,770	11.89%
Supra/Ultramax	40,000 – 69,999	4,047	11.56	227.79	56,285	23.36%
Panamax	70,000 – 89,999	2,676	11.45	213.19	79,666	21.86%
Capesize	90,000+	2,289	10.28	418.10	182,658	42.88%
Total / Average		**13,344**	**11.95**	**975.04**	**73,070**	**100.00%**

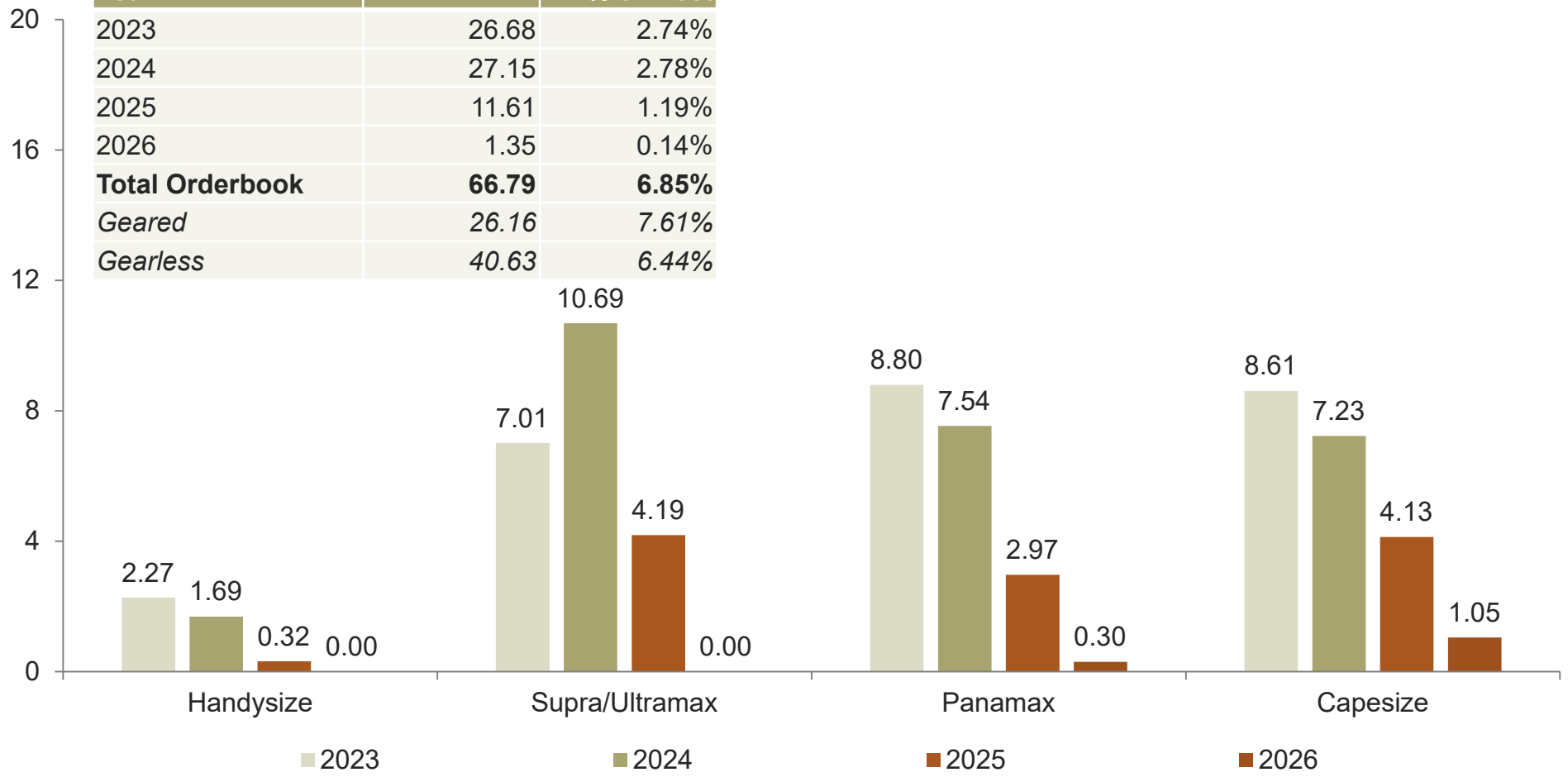
Changes in Q1 2023

Ship Type	DWT Range (MT)	Ships No (%age)	DWT m MT (%age)
Handysize	10,000 – 39,999	+40 (+0.93%)	+0.83 (+0.72%)
Supra/Ultramax	40,000 – 69,999	+38 (+0.95%)	+2.20 (+0.97%)
Panamax	70,000 – 89,999	+28 (+1.06%)	+2.33 (+1.10%)
Capesize	90,000+	+19 (+0.84%)	+3.66 (+0.88%)
Total / Average		**+125 (+0.95%)**	**+9.01 (+0.93%)**

Source: Clarksons World Fleet Register as on 31 Mar 2023

Confirmed orders as of 1 Apr 2023 (MDWT) – 31 Dec 2026

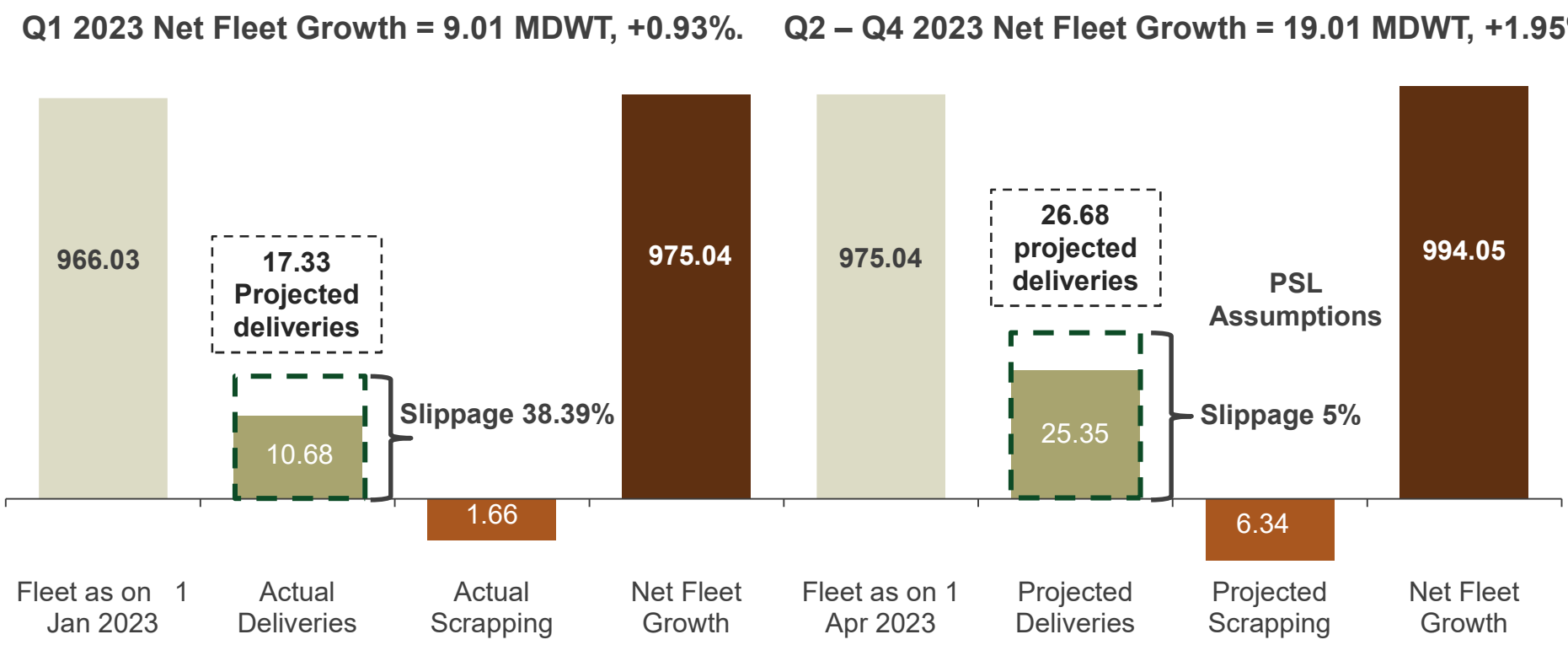
Total Confirmed Orders Until 2026		
Year	M DWT	% of Fleet
2023	26.68	2.74%
2024	27.15	2.78%
2025	11.61	1.19%
2026	1.35	0.14%
Total Orderbook	**66.79**	**6.85%**
Geared	*26.16*	*7.61%*
Gearless	*40.63*	*6.44%*



Source: Clarksons World Fleet Register as on 31 Mar 2023

PSL dry bulk supply side forecast

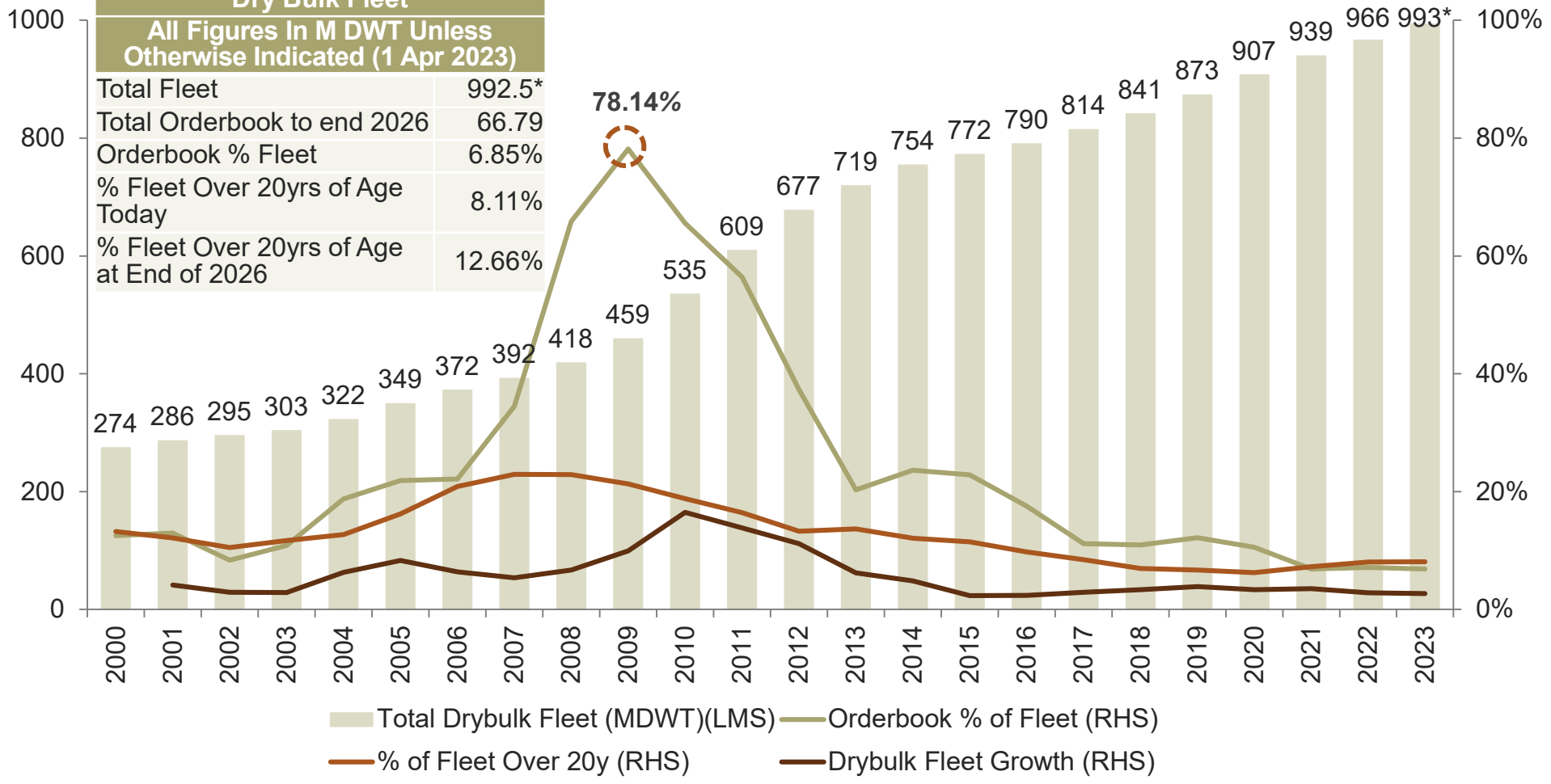
Actual data for Q1 2023. **PSL forecasts net fleet growth for 2023 at 2.90%,** assuming 5% slippage and 8 MDWT of scrapping in 2023.



Source: Clarksons World Fleet Register as on 31 Mar 2023 and PSL internal estimate.

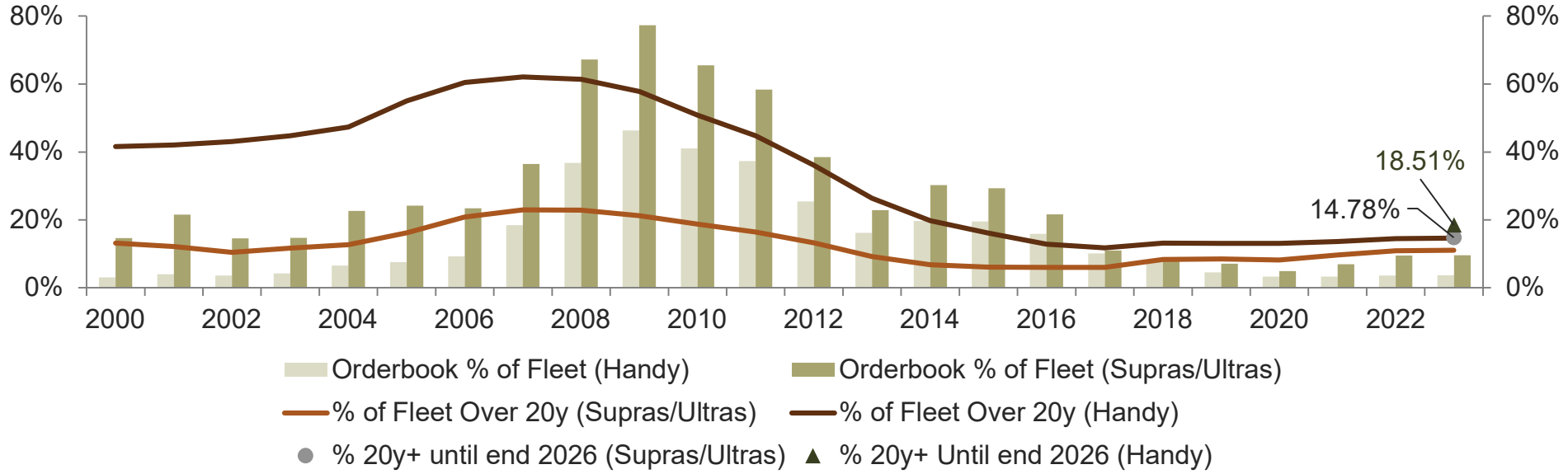
Putting orderbook figures in context – overall dry bulk fleet

Dry Bulk Fleet All Figures In M DWT Unless Otherwise Indicated (1 Apr 2023)	
Total Fleet	992.5*
Total Orderbook to end 2026	66.79
Orderbook % Fleet	6.85%
% Fleet Over 20yrs of Age Today	8.11%
% Fleet Over 20yrs of Age at End of 2026	12.66%



*Source: Clarksons World Fleet Register as on 31 Mar 2023 and *End'23 Fleet Capacity from Clarksons Mar 2023 DBTO*

Putting orderbook figures in context – geared vessels only



Handysize Fleet All Figures In MDWT Unless Otherwise Indicated (1 Apr 2023)	
Total Fleet	115.97
Total Orderbook	4.28
Orderbook % Fleet	3.69%
% Fleet Over 20yrs of Age Today	14.63%
% Fleet Over 20yrs of Age at End of 2026	18.51%

Supramax/Ultramax All Figures In MDWT Unless Otherwise Indicated (1 Apr 2023)	
Total Fleet	227.79
Total Orderbook	21.88
Orderbook % Fleet	9.61%
% Fleet Over 20yrs of Age Today	11.07%
% Fleet Over 20yrs of Age at End of 2026	14.78%

Source: Clarksons World Fleet Register as on 31 Mar 2023

Differences in 2003-2009, 2010-2020, 2021, 2022, 2023 and the future

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021	2022	Q1 2023
Capesize	67,101*	14,924***	33,333**	16,177**	9,144**
Panamax	32,793*	10,965***	26,898**	20,736**	11,326**
Supramax	28,013^^	10,765***	26,768**	22,152**	10,169**
Handysize	18,753^^	8,789***	25,702**	21,337**	9,702**
Demand Billion Ton-miles per year	+5.4%	+4.2%	+3.48%	-1.69%	1.92%
Average Speed (knots)	13.5^^^	11.5^^^	11.4	11.2	11.0
Chinese Stimulus	China enters WTO 2001	USD 578 bn (2009)	$667 bn (mid year 2020) (ROW $20 trillion+)	$2.3 trillion^	$1.8 trillion^
Orderbook/Fleet ratio per year (start of each year)	+36.02%	+26.23%	+7.03%	+6.88%	+7.16%
Annual average % of 20-year-old (start of each year)	+18.38%	+11.27%	+6.25%	+7.26%	+8.07%
Annual average net supply growth	+6.8%	+6.4%	+3.55%	+2.86%	+2.7%

2023 & The Future

At the start of 2022, for the first time this century, the 20+ year old fleet was larger than the forward order book, and at the start of Apr 2023 it was still 8.11% versus 6.85%, respectively.

*Note: *BCI 172K (4TC), BPI 74K (4TC), BSI 52K (6TC), BHSI 28K (6TC).*

***BCI 180K (5TC), BPI 82K (5TC), BSI 58K (10TC), BHSI 38K (7TC)*

*. ***Combine of above two classification*

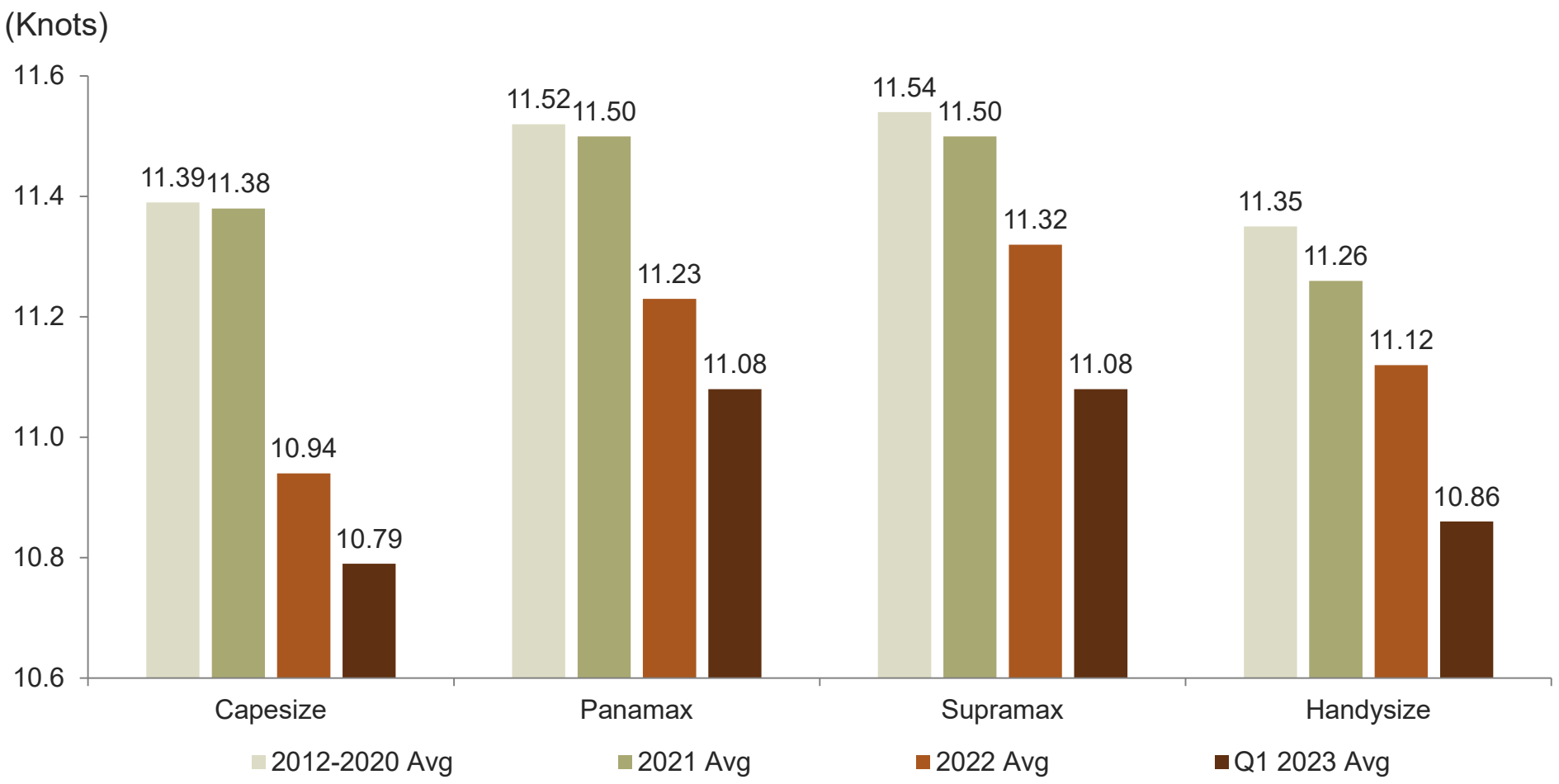
^Bloomberg calculated Chinese stimulus at $ 5.3 trillion in 2022!, Bloomberg reported $1.8 trillion of construction stimulus in Apr 2023

^^1 Yr. TC 32K, 1 Yr. TC 52K used for years where there was no BHSI (2003-2006) or no BSI (2003-2005).

^^^Average speed in 2008-2009 and average speed in 2012-2020

Source: Clarksons Index Timeseries, Clarksons World Seaborne Trade Timeseries, Clarksons Speed Timeseries and Clarksons World Fleet Register as on 31 Mar 2023, End'23 Fleet Capacity from Clarksons Mar 2023 DBTO

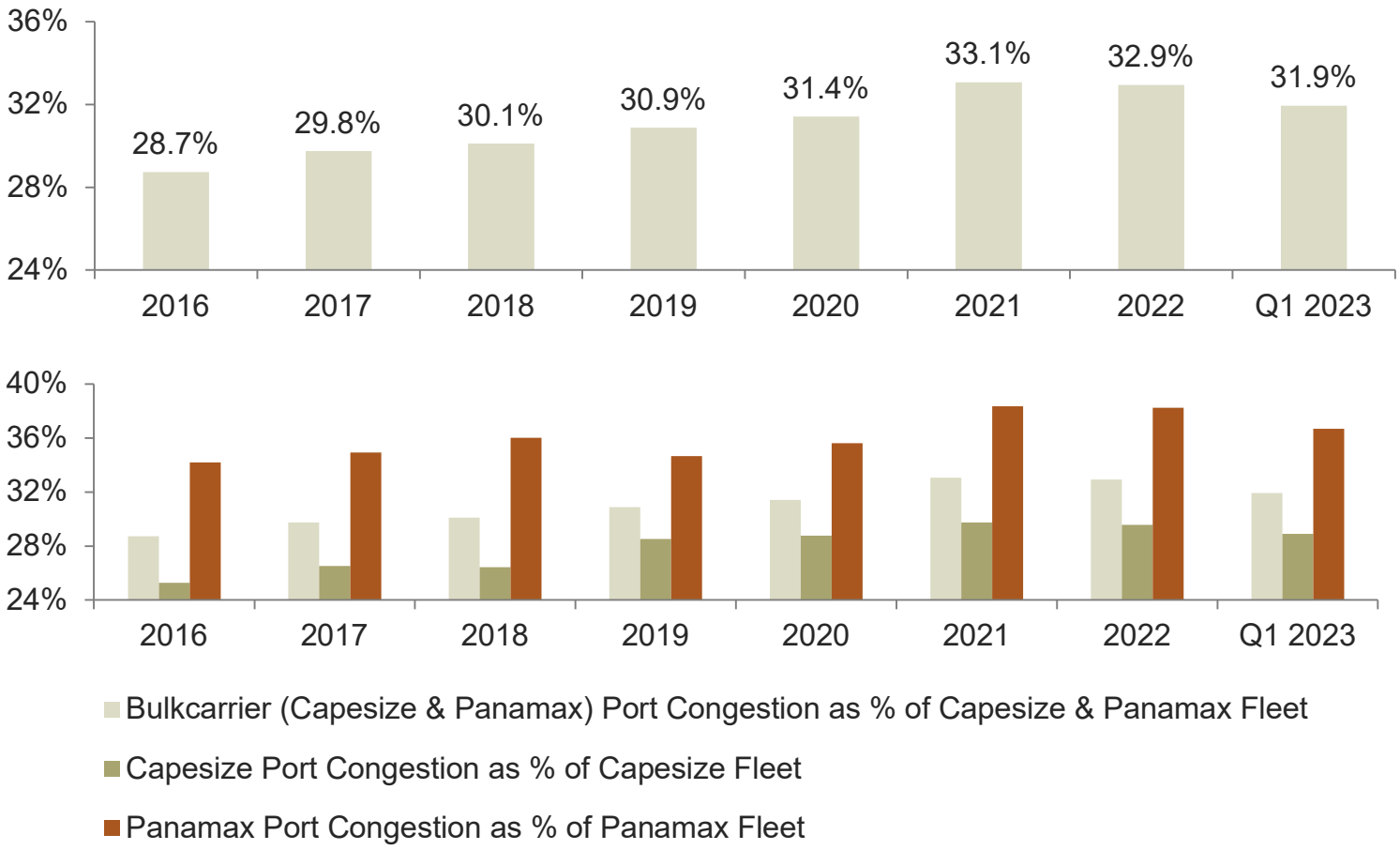
Average speed – till end of Q1 2023



Source: Clarksons Speed Timeseries as on 31 Mar 2023

Port congestion – till end of Q1 2023

Bulkcarrier (Capesize & Panamax) Port Congestion as % of Capesize & Panamax Fleet



- Data basis vessels in a defined port or anchorage location based on vessel's closest to midday AIS signal.
- Capesize & Panamax port congestion stood at 32.9% of their fleet in 2022.
- In Q1 2023, this figure decreased to 31.9%

Source: Clarksons Port Congestion Timeseries as on 31 Mar 2023
Note: Clarksons suspended a provision of Supramax port congestion data
Port congestion data from Clarksons in previous PSL presentations were not comprehensive.

DWT of dry bulk ships ordered in Q1 2023 vs Q1 2022, 2021 and 2020

Year	Avg. BDI	% Change in 2023	New Orders in MDWT	% Change in 2023
Q1 2020	592	+71%	5.80	-59%
Q1 2021	1,739	-42%	13.57	-82%
Q1 2022	2,041	-50%	9.74	-75%
Q1 2023	1,011	-	2.40	-

Source: Clarksons Index Timeseries, Clarksons World Fleet Register, and Clarksons Newbuild Contracts Timeseries as on 31 Mar 2023

Reasons why new ship orders have not gone ballistic even though rates have skyrocketed

1. **Container, Tanker, Gas, and Car carriers have booked all available slots** at shipyards and hence **dry bulk has been 'crowded out'** and can only **get ships in 2025** at the earliest.
2. **Shipyard capacity is still 40% below the peak, 119 active "large" yards in 2022 vs 320 in 2009.**
3. **Despite dry bulk owners having enough money to invest in new build ships, current legislation and expected regulations, will expedite the 'death' of IC fuel oil burning ships and the fear that such ships may become 'stranded assets', is constraining the orderbook**.

Key industry takeaways

- **The IMF** estimates global GDP growth **of 2.8% in 2023 and 3.0% in 2024.**
- **Chinese GDP will grow by 5.2% in 2023, a 0.8% increase** over IMF's previous forecast. **GDP growth in Q1 was 4.5%** yet major American Banks estimate **China growth to beat IMF forecast by 100 to 150 bps in 2023**.
- **Demand growth of 1.5-2.5% in 2023, will be driven by China's economic recovery.**
- In Q1 2023, China's **fixed asset investment was +5.5%, consumer spending had rebounded.**
- **China** Q1 iron ore imports **294.3 MMT** (+9.7%), **Brazil +15.3%** (56.5 MMT*), **Aussie +14.2%** (196.5 MMT*) pushed up Cape rates in Q1. (*Estimated by Drewry)
- **Forward orderbook to fleet ratio at 6.85% as of 1 Apr 23 is lower than the existing 20 year old fleet at 8.11%.**
- **The dry bulk fleet is forecast to grow by 2.7% in 2023 and by 0.6% in 2024. But net supply will be reduced by 2.0-2.5%** in 2023 and 2024 due to **lower speeds** via compliance with **EEXI and CII regulations. The supply/demand balance should improve in 2023.**
- **Rates have started recovering as demand picks up in China.**
- **Since 2023, PSL has 16 ships fixed on index linked long term charters which have started to benefit.**

New Regulations – EEXI and CII

Energy Efficiency Existing Ship Index or EEXI

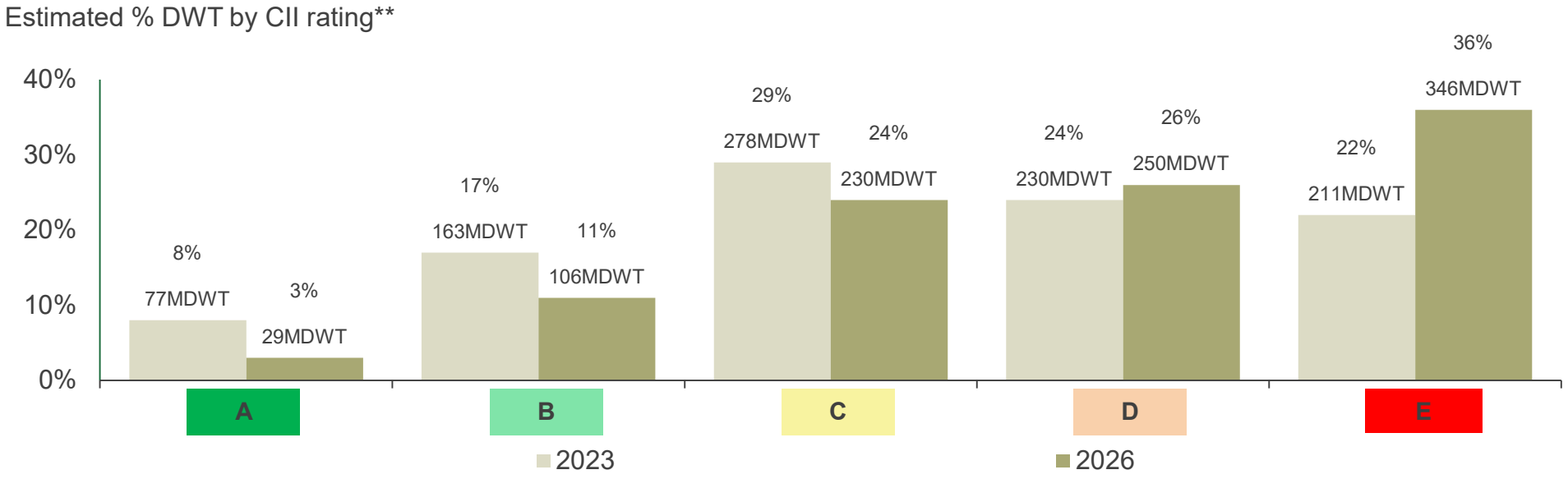
1. **What is EEXI? It is a design efficiency index and requires a one-time technical adjustment for non-compliant existing vessels**. It describes the CO2 emissions per cargo ton-mile, by determining the standardized CO2 emissions related to installed engine power, transport capacity and ship speed.
2. **When does EEXI enter into force?** EEXI enters into force on **1st January 2023**.
3. **How many ships in the worlds fleet would be affected by EEXI?** Total numbers are unclear, however, articles in the shipping press indicate this could vary **between 70% and 90% of all dry bulk ships**.
4. **How will it impact PSL fleet? 23 vessels in our fleet** will need to implement countermeasures such as **engine power limitation** to comply with the EEXI requirements, of which **16 vessels** will need to reduce speed to comply with the Engine Power Limitation, and the **speed reduction** will vary between **1.0 to 2.5 knots** on each ship compared to their average speeds in 2021
5. How much will it cost PSL? **Total estimated costs** for the PSL fleet would be under **USD 1.0 million**. (Ships that meet EEXI requirements would cost USD 6,000/ship. Ships that do not meet EEXI requirements would cost USD 37,500/ship).
6. **What are the implications for the effective supply of ships?** Every **1.0K speed reduction** in the world fleet equates to **5.5% reduction in effective supply of ships.**

Carbon Intensity Indicator or CII

1. **What is CII? It is an operational efficiency index**, which aims to ensure continuous improvement in a vessel's emissions. The CII framework regulates the carbon emissions per unit of 'transport work' or the operating mileage each year. CII is expressed in grams of CO2 per deadweight-nautical mile. The vessel is given an annual rating ranging from A to E, with ratings becoming increasingly stringent towards 2030.
2. **When does CII enter into force?** The CII requirements will take effect **from 1st January 2023**.
3. **What is the approach?** The CII **will annually reduce** a vessels carbon intensity. CII is a phased approach, with an annual successive carbon intensity reduction rate of 2% compared to the 2019 reference line from 2023 through to 2026.
4. **How many ships in the worlds fleet would be affected by CII?** Total numbers are unclear, however, **approximately 30,000 ships** of 5,000 gross tonnage (about 20,000 DWT) and above are subject to the requirements and will have to determine their required annual operational CII.
5. **How will PSL control the CII of its fleet?** The CII is based directly on the fuel consumption, which is influenced by how a specific vessel is operated in combination with its technical efficiency and type of fuel. **PSL will control the CII by optimizing operations and ensuring our vessels are in a good condition**.

Impact of CII on the bulk carrier fleet

	DWT of existing ships*	DWT of ships above 10 years / %*	DWT of new buildings till 2026 / %*
Handysize	115.97	75.51 / 65%	4.28 / 4%
Supra/Ultramax	227.79	127.82 / 56%	21.88 / 10%
Panamax	213.19	116.82 / 55%	19.61 / 9%
Capesize	418.10	235.69 / 56%	21.01 / 5%
Total	**975.04**	**555.84 / 57%**	**66.79 / 7%**



*Source: *Clarksons World Fleet Register as on 31 Mar 2023, **DNV as on 19 Oct 2022 and Clarksons World Fleet Register as on 30 Sep 2022*

PSL's Strategy

PSL fleet

As of	31st Dec 2019	31st Dec 2020	31st Dec 2021	31st Dec 2022	31st Mar 2023
Number of Vessels	36	36	36	38	38
Average Age (Simple Avg)	8.3 years	9.3 years	10.3 years	11.0 years	11.2 years
Insured Value (US$ million)	650.0	650.0	747.6	765.4	765.4
Book Value (US$ million)	664.9	634.8	605.0	635.8	628.4
Total DWT	1,585,805	1,585,805	1,585,805	1,657,579	1,657,579
Total LDT	350,989	350,989	350,989	368,532	368,532
Average DWT per Vessel	44,050	44,050	44,050	43,621	43,621

Market segmentation Q1 2023

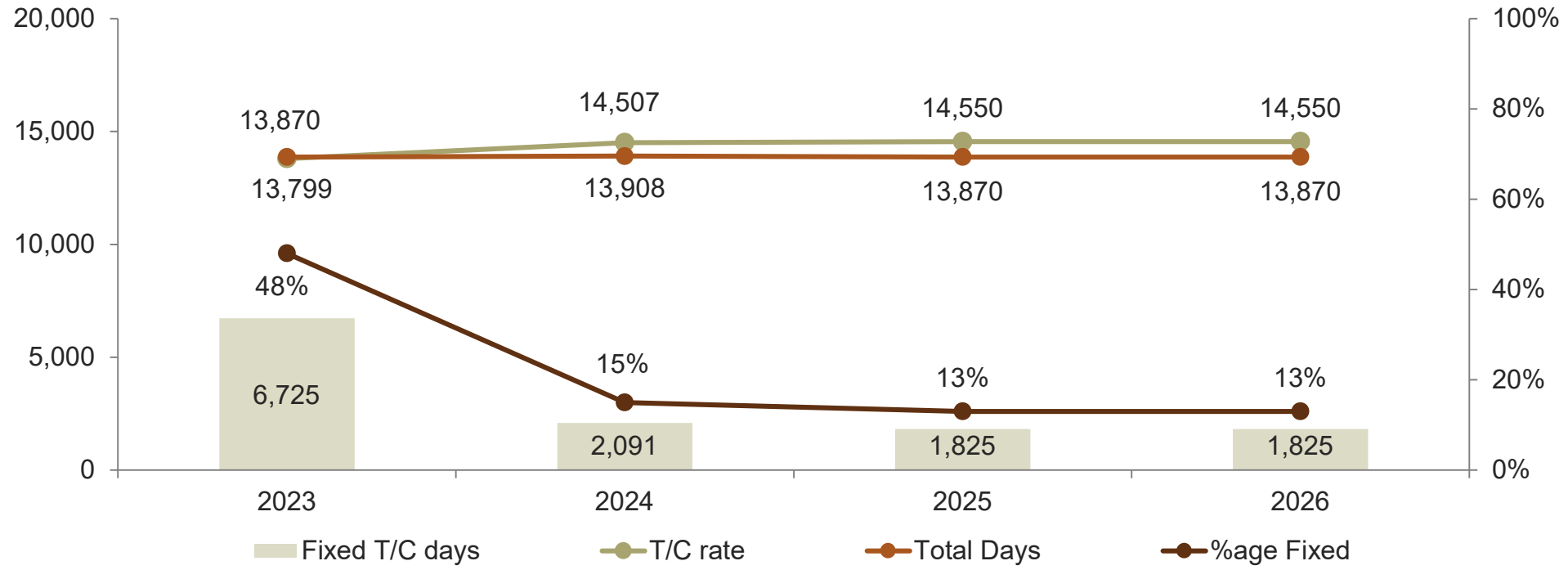
Index	Index Ship DWT	Index Speed/Con (1)	PSL Avg Ship DWT	PSL Avg Speed/Con (1)	PSL Ship Number	Q1 2023 Average Index	Market Av. TC Rate (2)	PSL Av. TC Rate	Performance vs Benchmark
BHSI (Handysize)	38,000	Laden: 12K/18T Ballast: 12K/17T	31,010*	Laden: 12K/20T Ballast: 12K/20T	17 Handysize & 4 Cement Ships	539	USD 9,702	USD 9,852	+1.55%
BSI (Supramax)	58,000	Laden: 12K/24T Ballast: 13K/23T	59,198* (Supramax & Ultramax)	Laden: 12K/26T Ballast: 13K/24T	9 Supramax & 8 Ultramax	925	USD 10,169	USD 10,232	+0.62%

Notes:

1. *Basis eco-speed.*
2. ** Our Handy ships are rated at a discount to the index ship of 25% due to size and fuel consumption, Supras/Ultras combined at a 10% discount due to similar reasons.*

Current and rolling 4-year forward book until 2026

Contract value	USD 92.80 m	USD 30.33 m	USD 26.55 m	USD 26.55 m	Total USD 176.23 m



- *This comprises charters on 5 ships on fixed rate charter and 16 ships on variable rate charters.*
- *Average T/C Rate/Day for the variable rate charters is estimated based on actual earnings until Q1 2023 and rates prevailing in Apr 2023 for the period thereafter.*

Financials

Q1 2023 highlights

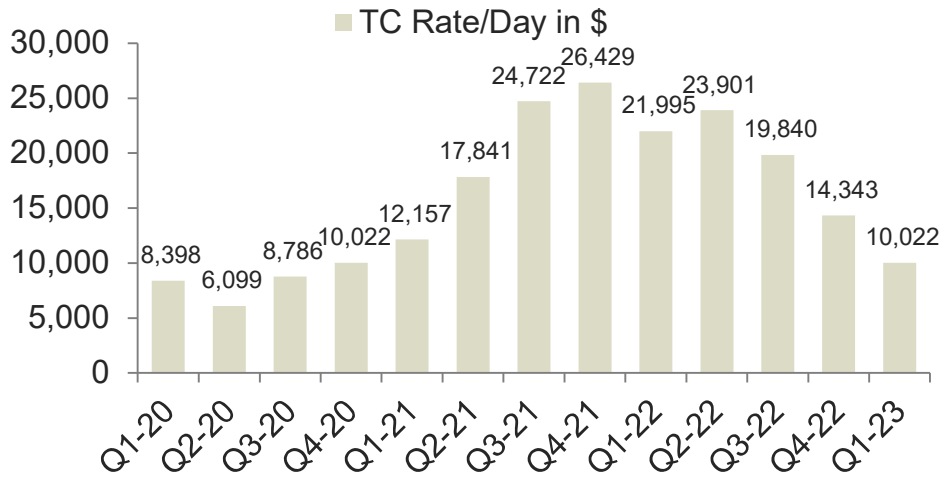
Q1'2023 Highlights	
Quarterly Results	• Net profit of Baht 78.69 million (USD 2.31 million), or Baht 0.05 per share (USD 0.0015 per share) • EBITDA of Baht 424.09 million (USD 12.47 million)
Financing	• On 27 April 2023, PSL completed the drawdown of a USD 9.00 million loan from Iyo Bank and used part of the loan proceeds to prepay a USD 4.10 million loan from Sinopac.
Long-term charter contracts	• Year-to-date, PSL has fixed 4 ships on long-term contracts at variable rates linked to the underlying index for vessels of that size. • In aggregate, the Company has 5 ships on long-term fixed rate charters and 16 ships on long-term charter contracts at a variable rate that is linked to the underlying index for vessels of that size.

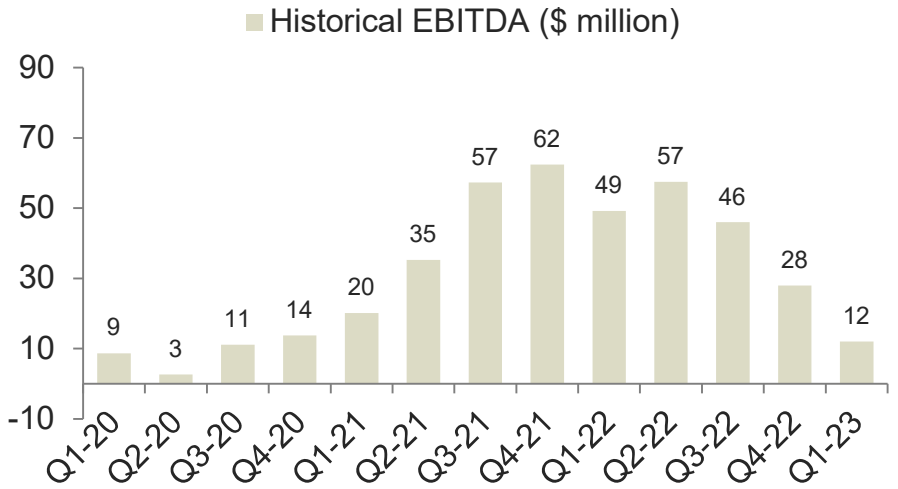
Q1 2023 Key figures

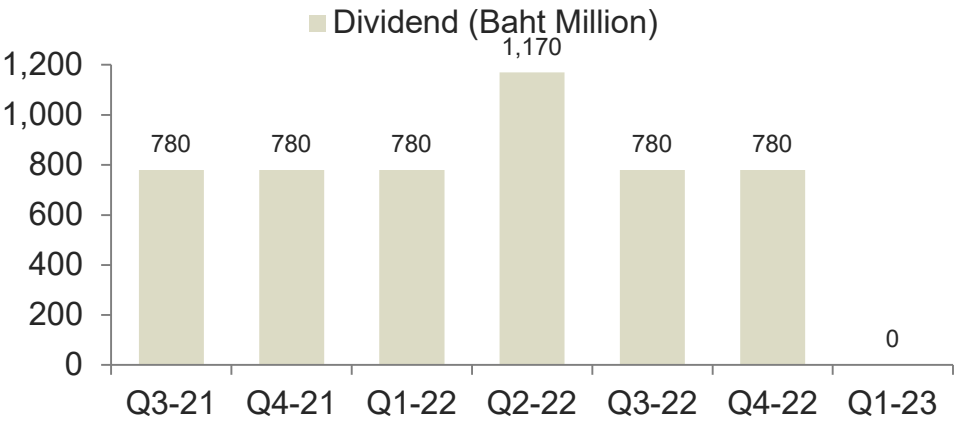
	Q1 2023	Q4 2022
Revenue ($ million)	34.6	46.5
Net Profit ($ million)	2.3	15.3
Earning per Share (Baht)	0.05	0.35
Return on Equity *	1.34%	30.6%
Net Debt / Equity Ratio	0.34	0.34
Number of Ships	38	38

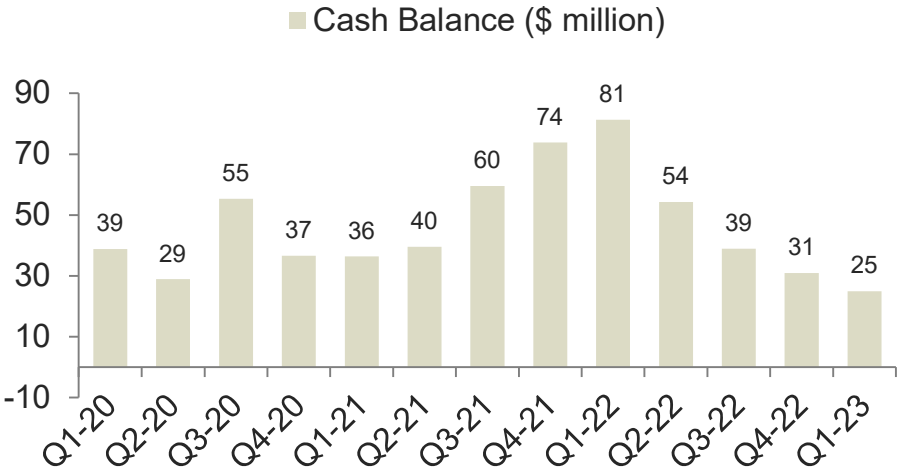
* Excluding exchange gain (loss) and non-recurring items

Earnings and liquidity

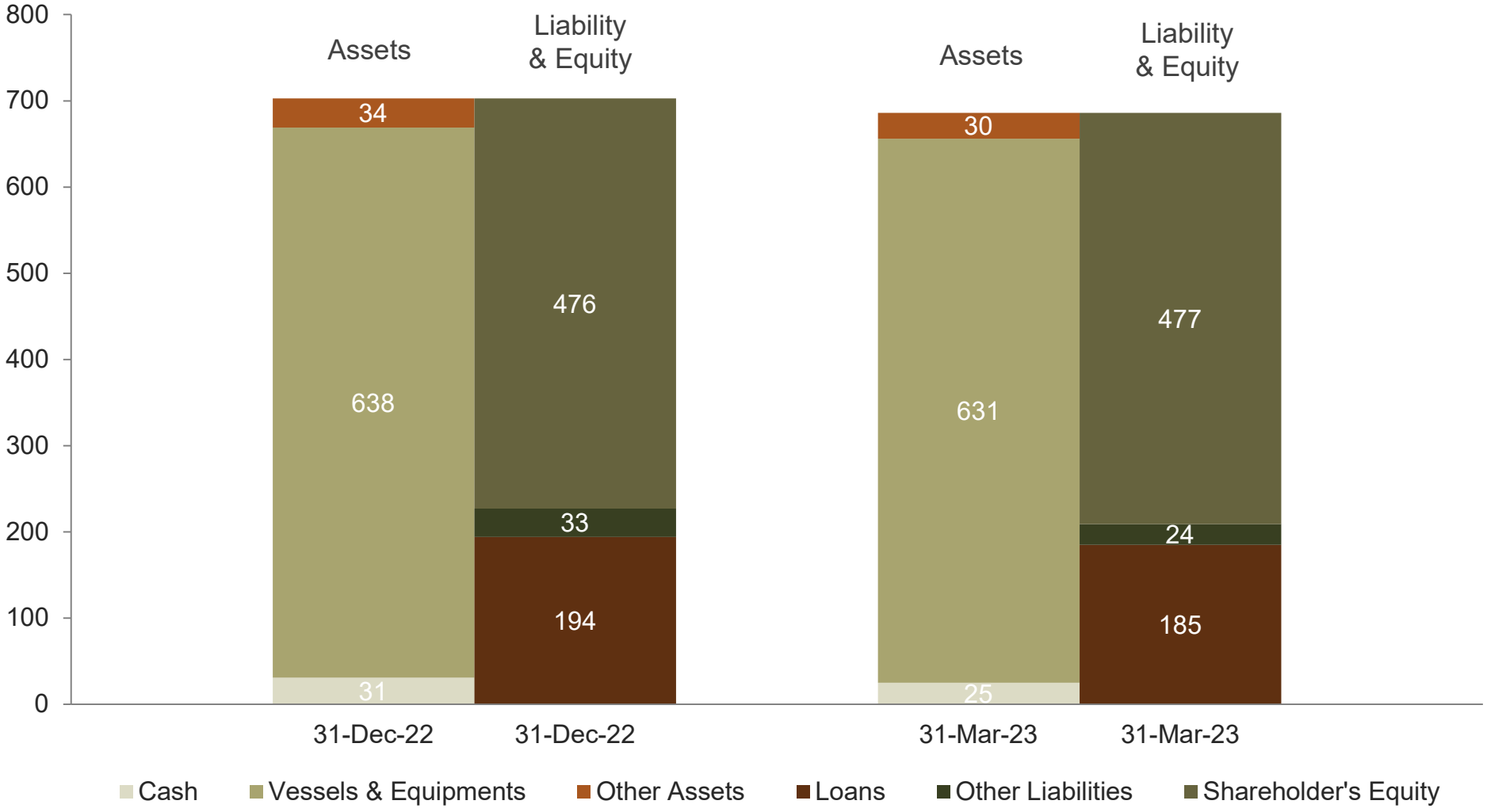




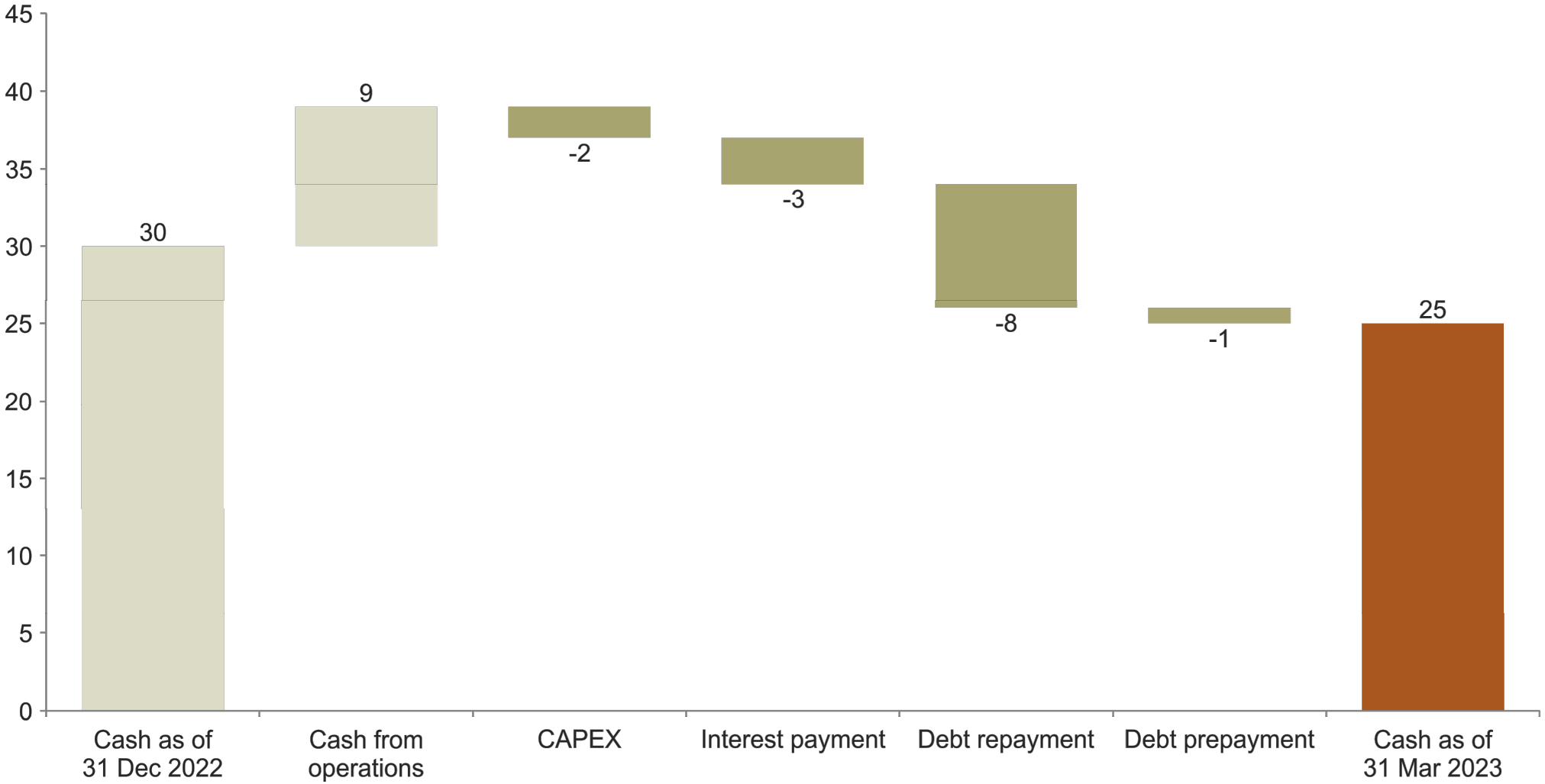




Statement of financial position ($ million)

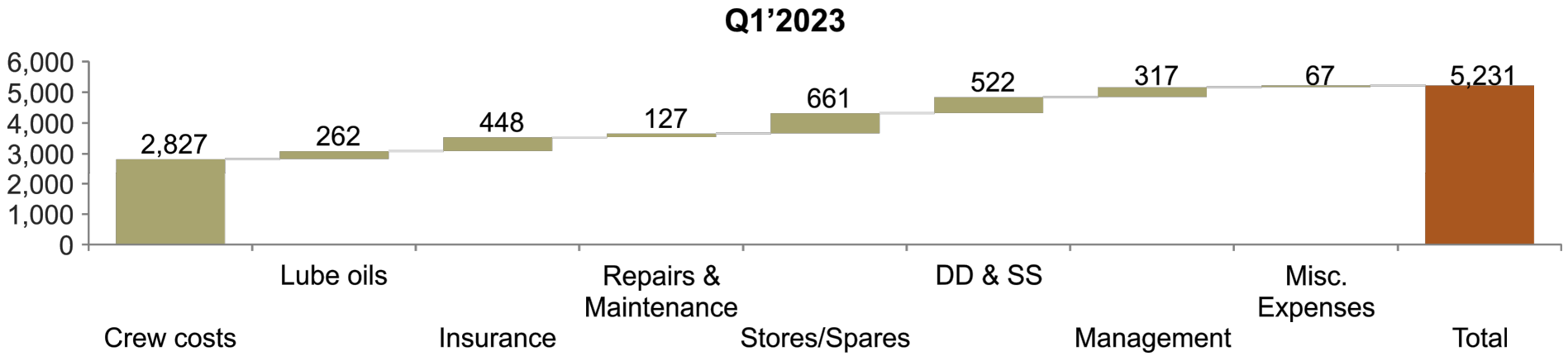


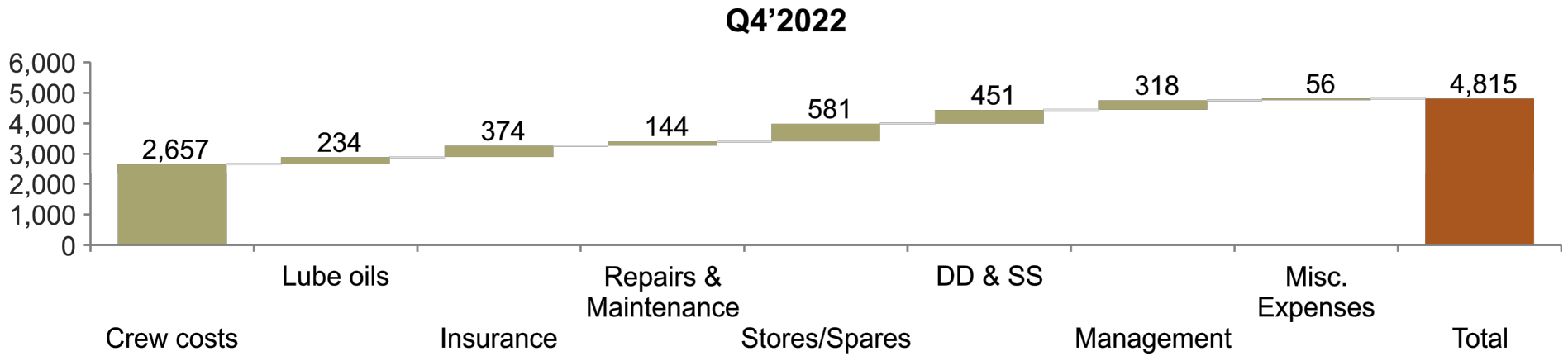
Cash movement in Q1'2023 ($ million)



Operating expense analysis ($/Day)

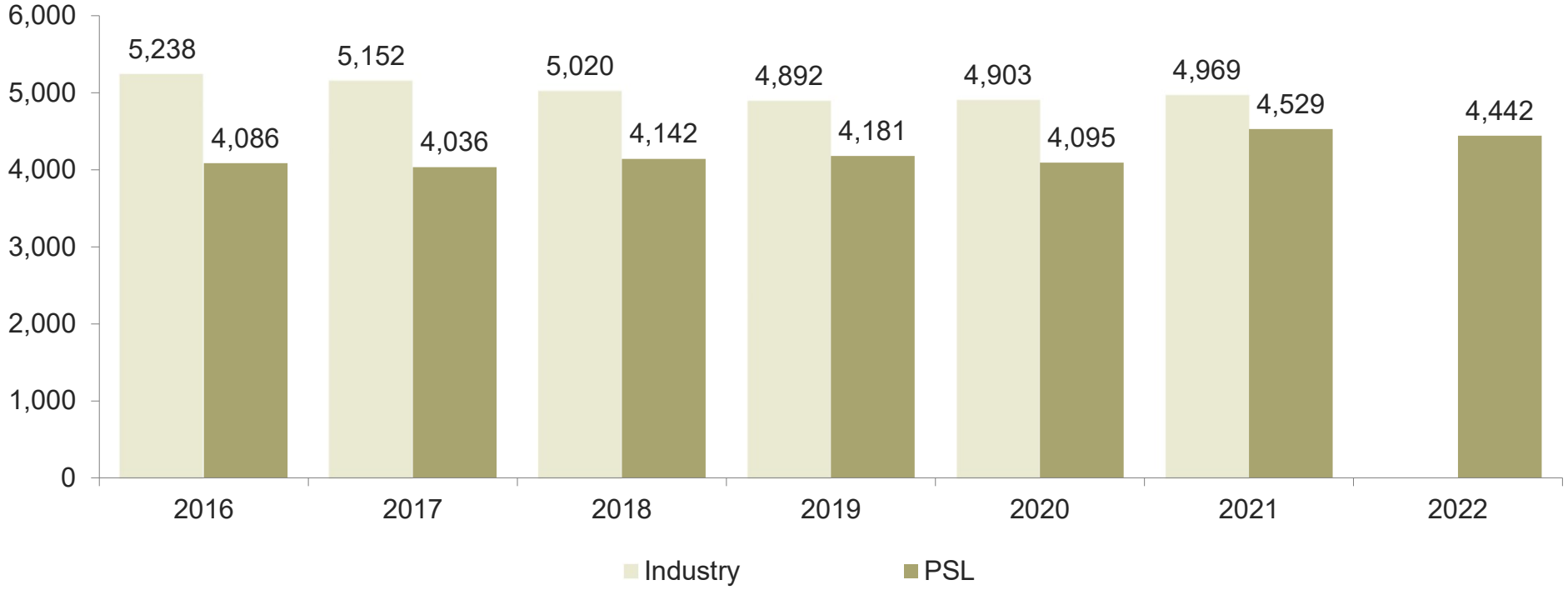
- These are the fixed costs required to run a ship and are evenly spread over 365 days.
- Our operating costs per ship per day for Q1'2023 and Q4'2022 were USD 5,231 and 4,815 respectively.





Operating expenses industry comparison ($/day)

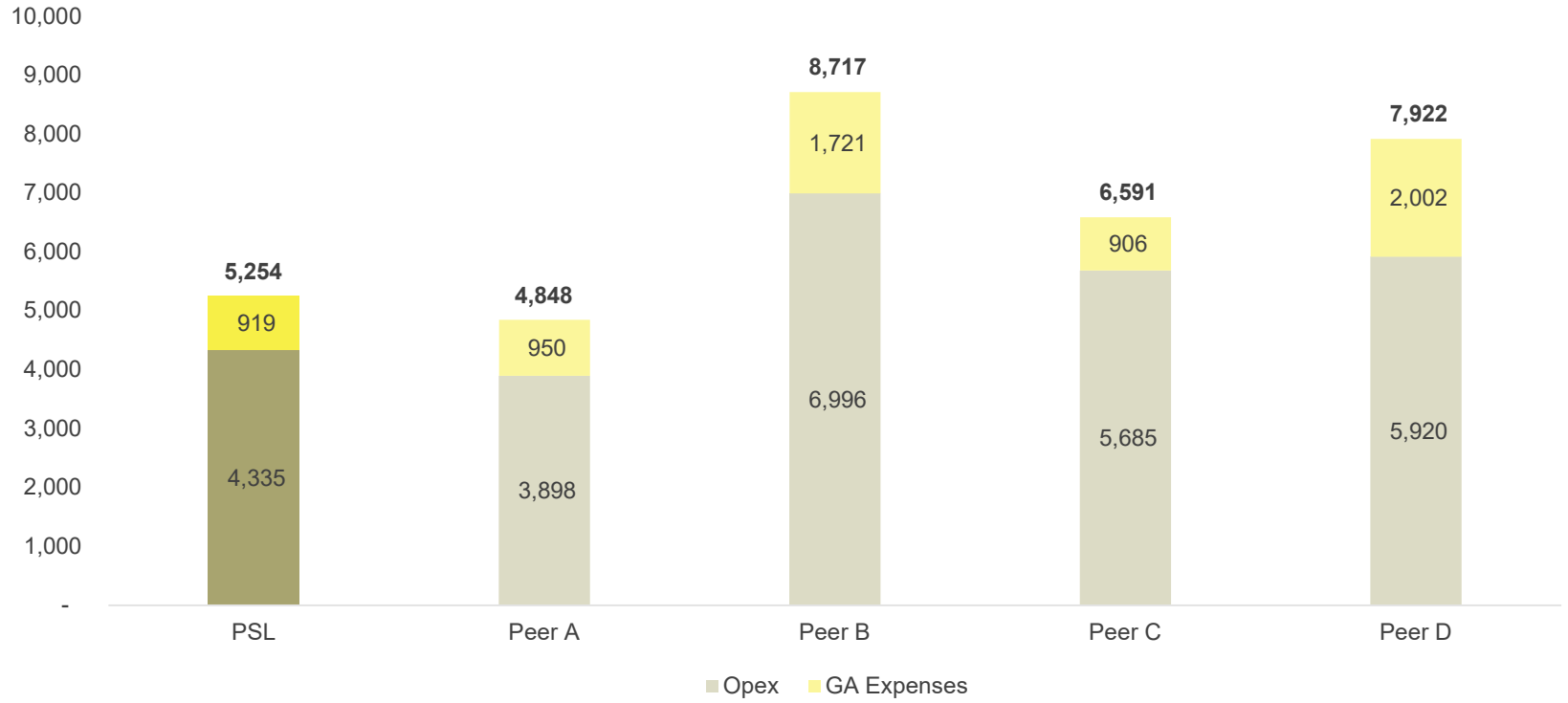
- OPEX Comparison with Industry compiled by BDO LLP
- OPEX excluding dry dock and special survey cost
- Industry OPEX for 2022 will be published in November 2023



Note: OPEX industry is calculated by simple average OPEX of handysize and handymax.

Supramax/Ultramax sector peer analysis for Q4 2022

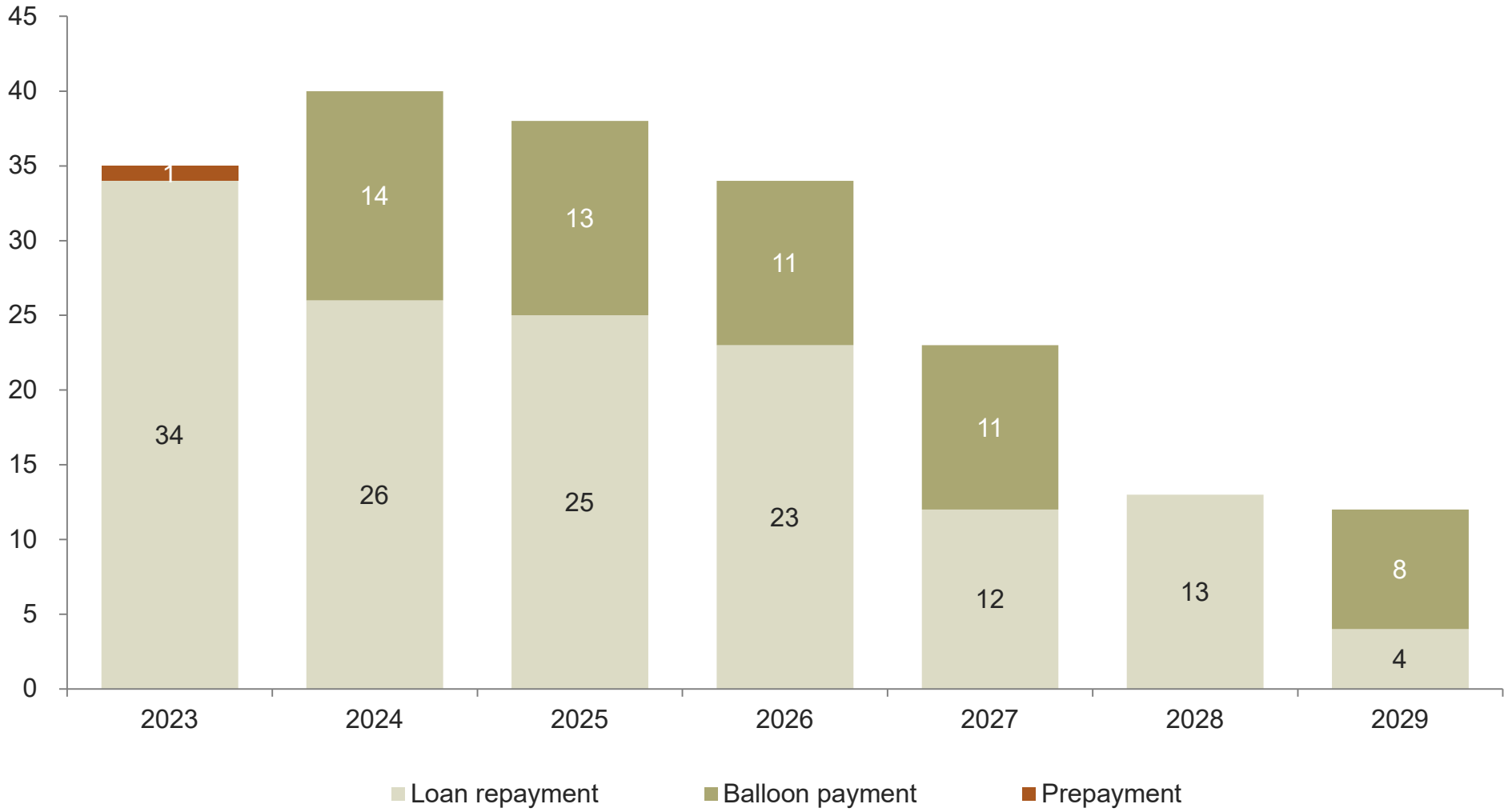
- For Q4 2022: PSL's Supramax/Ultramax average daily OPEX* + G&A came in at $5,254 per vessel per day



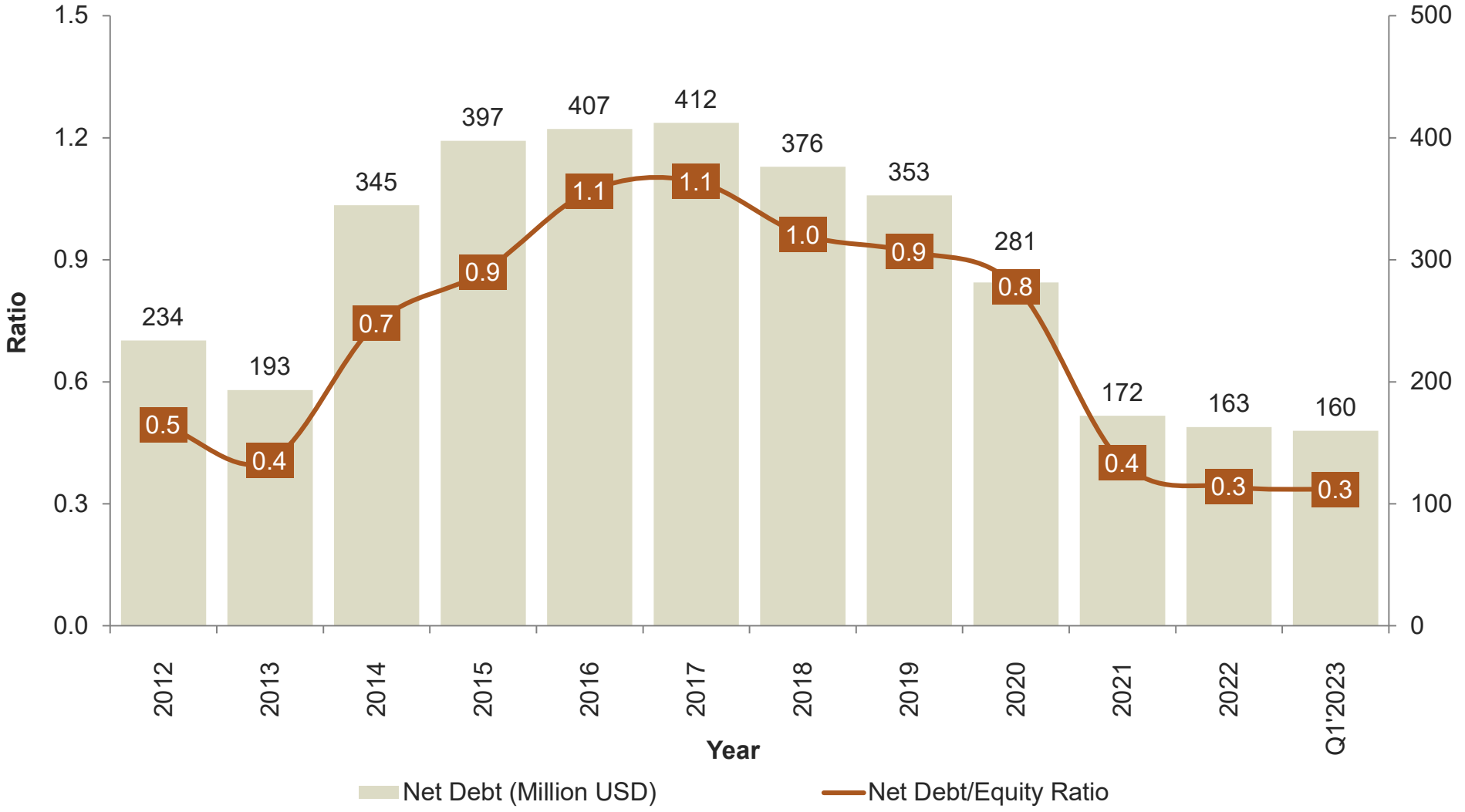
# EBITDA/Ship in Q4 2022 ($ million)	**1.00**	**0.98**	**0.59**	**1.02**	**0.20**
# LTM EBITDA/Ship ($ million)	**6.20**	**5.18**	**4.55**	**4.92**	**2.89**

* Excluding DDSS expenses.
# EBITDA for owned and chartered-in vessels in the Ultramax/Supramax category.

Debt maturity profile ($ million)

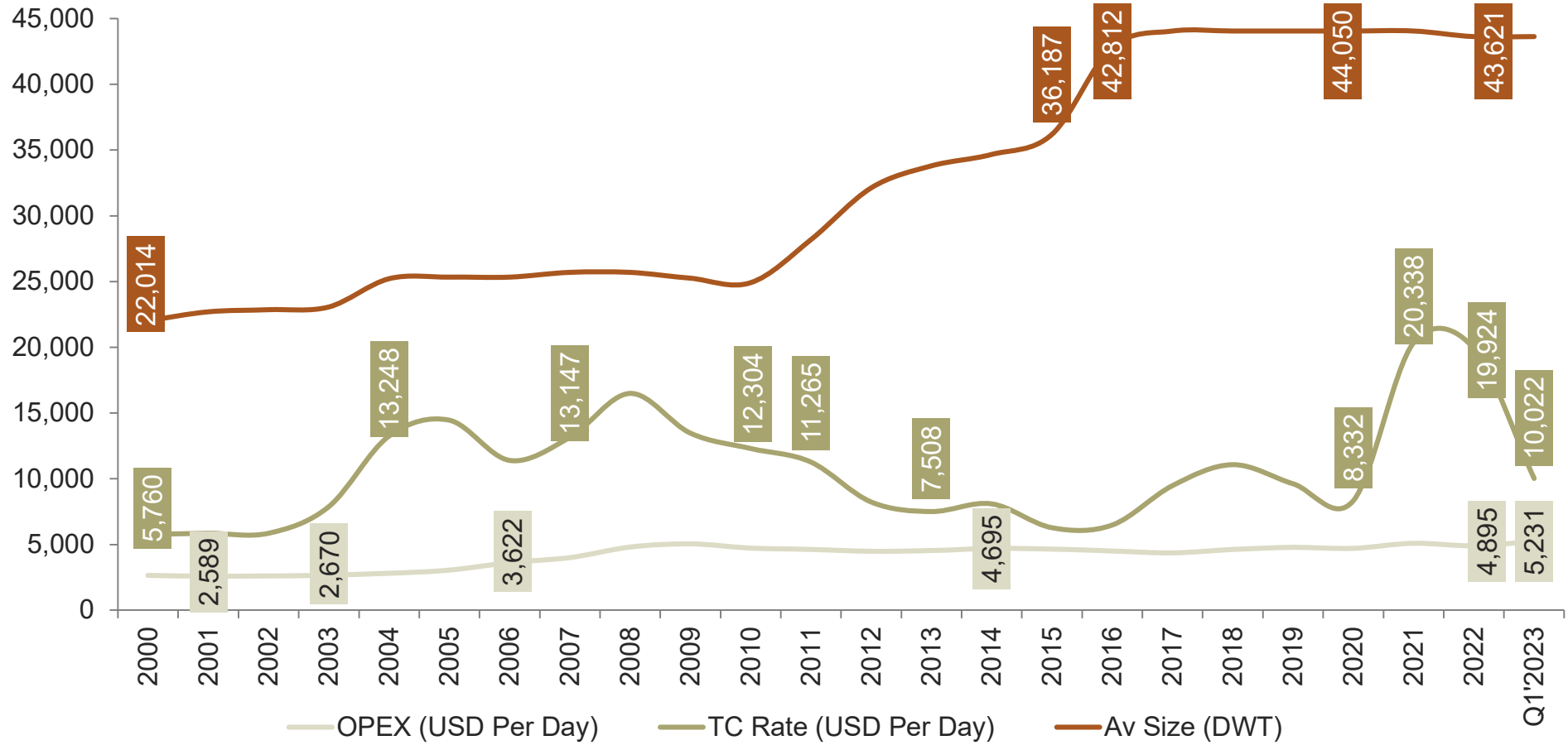


Net debt & net debt / equity ratio

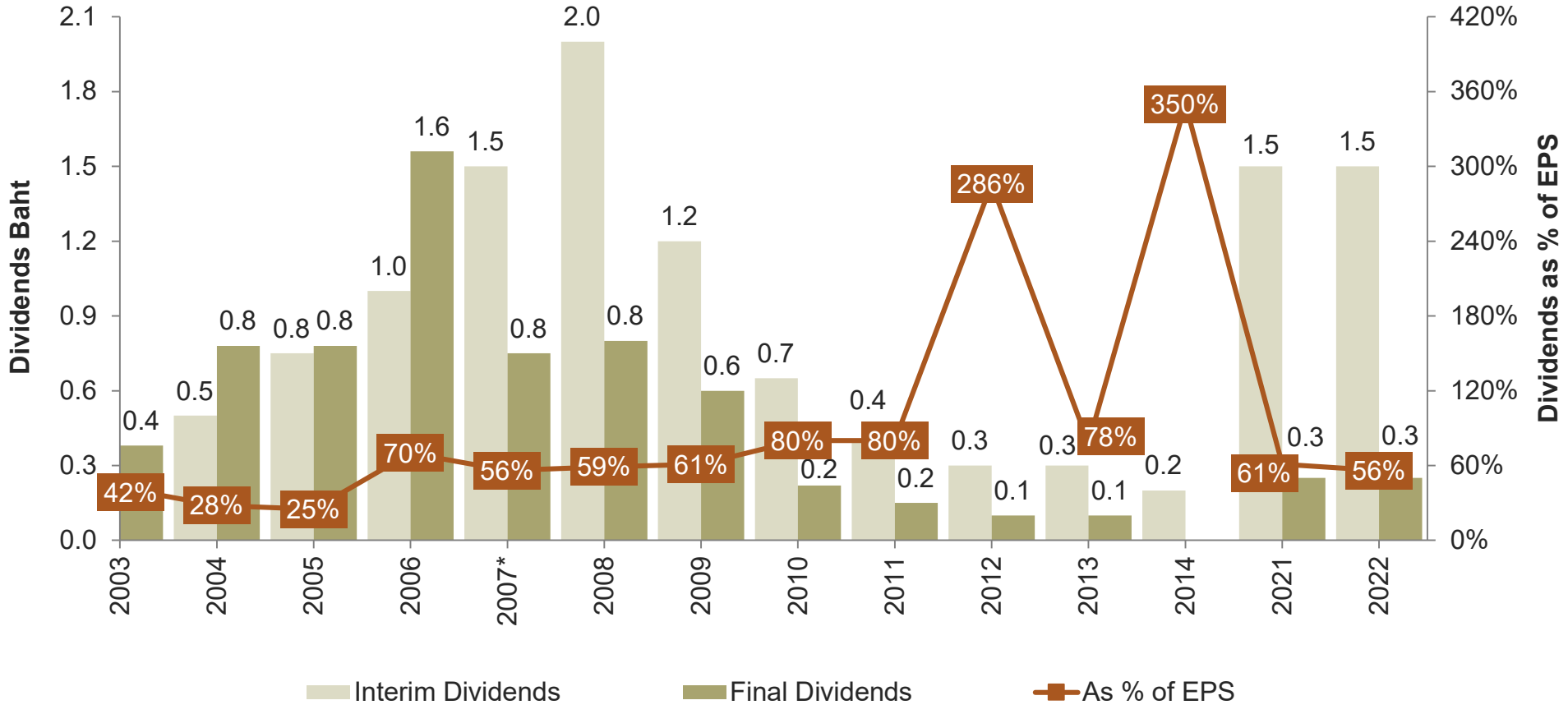


Average OPEX / TC rates

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Q1'2023
Avg Age	15.6	15.7	15.8	16.6	17.4	19.0	20.0	19.6	20.6	17.1	15.4	14.2	11.4	11.4	10.5	9.8	5.8	6.3	7.3	8.3	9.3	10.3	11.0	11.2



Dividends



Dividend Policy

Not less than 25% of net profit

**2007 final dividend includes 1:1 bonus share at par*
All dividends shown adjusted for 1:1 bonus shares at par
No final dividends for 2014 and no dividends for 2015 - Q1'2021

Financial highlights – Income statement

Particulars	Q1-2023	Q4-2022 *	Q1-2022
Total Revenues - USD Million	34.62	46.52	68.88
Net Profit (loss) - USD Million	2.31	15.26	39.03
Gain (loss) on derivatives - USD Million	0.00	0.00	(0.02)
Exchange gain (loss) - USD Million	0.72	(1.90)	0.01
Net Profit (loss) excluding non-recurring items and exchange gain (loss) - USD Million	1.59	17.16	39.04
EBITDA - USD Million (Average per Ship)	12.47 (0.33)	27.89 (0.73)	49.21 (1.37)
Average TC Income per Ship per day (USD)	10,022	14,343	21,995
Average Ship Running Cost per Ship per day (USD)	5,231	4,815	4,914
Operating days (Average Number of Ships)	3,420 (38.00)	3,496 (38.00)	3,240 (36.00)
Earnings (loss) per share excluding non-recurring items and exchange gain (loss) (Baht)	0.03	0.40	0.83
Earnings (loss) per share (Baht)	0.05	0.35	0.83
Net Profit Margin (%)	6.68	32.80	56.66

* Derived figures

Financial profile

	Q1'2023	2022	2021	2020	2019	2018
Cash & Cash Equivalents	$24.6m	$30.5m	$73.9m	$36.6m	$39.2m	$56.8m
Total Assets	$686.4m	$703.1m	$704.1m	$712.3m	$831.1m	$857.9m
Gross Debt	$184.9m	$194.1m	$245.9m	$318.3m	$391.7m	$432.8m
Net Debt	$160.3m	$163.6m	$172.0m	$281.7m	$352.5m	$376.0m
Equity	$477.2m	$476.3m	$429.8m	$337.4m	$383.3m	$391.2m
Gross Debt/Equity	0.39	0.41	0.57	0.94	1.02	1.11
Net Debt/Equity	0.34	0.34	0.40	0.83	0.92	0.96
No. of Vessels	38	38	36	36	36	36
EBITDA	$12.5m	$180.3m	$175.2m	$36.3m	$44.5m	$68.2m
Daily Earnings	$10,022	$19,924	$20,338	$8,332	$9,622	$11,063
Daily Opex	$5,231	$4,895	$5,090	$4,705	$4,778	$4,621
Net Profit (Loss)	$2.3m	$138.6m	$137.0m	($40.8)m	($7.2)m	$14.1m

Marine Money International Ranking - Shipping

THE SHIP FINANCE PUBLICATION OF RECORD
MARINE MONEY
INTERNATIONAL

PSL ranked 10th overall in Marine Money's 2021 ranking of financial performance among 83 shipping companies.

Within the dry-bulk sector, PSL ranked 2nd among 22 companies.

Source: Marine Money

PSL and ESG

PSL's ESG footprint

Environment

- PSL is always reducing its environmental impact via new technologies and innovations. We replaced older and less fuel-efficient vessels between 2013 and 2017 with **"eco-vessels"** resulting in a reduction of CO_2 emissions. The PSL fleet's average gm CO_2/ton*nm has reduced from 12.884 in 2014 to 7.14 in 2022.
- Part of our fleet is retrofitted with fuel-saving devices such as Mewis Duct, Pre-Shrouded Vanes and Hub Vortex Absorbed Fins leading to **energy savings ranging between 3-5%**.
- We have a **formal environmental policy statement and guidelines since 2009 based on ISO 14001:2004 standards updated to ISO 14001:2015** standards.
- PSL has joined the **Getting to Zero Coalition** as a founding member, an alliance of more than 150 companies within the maritime sector to explore commercially viable zero carbon emitting vessels or ZEVs

Social

- PSL is a signatory of the **'Neptune Declaration' covering seafarer well-being and crew change**.
- PSL has been providing a **scholarship scheme for students** of the Merchant Marine Training Centre, Thailand as well as donations for other activities every year since 1995. PSL provides scholarships to 42 students each year.
- PSL providing a THB 1m donation to **Mechai Pattana School** in the rural Lamplaimat District of Buriram Province in 2022
- 42 PSL employees volunteered to clean up **Ban Amphur Beach** in Chonburi as part of the World Maritime Day celebration in 2022.
- PSL provided **60,000 free meals over 3 months for the needy in Bangkok starting 12 August 2021**.

Governance

- PSL has been included in the Stock Exchange of Thailand's **Thailand Sustainability Investment (THSI)** list for 2022.
- PSL received the Outstanding **Investor Relations award** from the Stock Exchange of Thailand for two consecutive years.
- PSL received the 2021 **ASEAN Asset Class Award**, for having attained a minimum CG score of 97.50 on the ASEAN CG Scorecard.
- PSL was classified as a company with **"Excellent" Corporate Governance** for 13 consecutive years from 2010 to 2022, by IOD & National CG Committee.
- PSL earned **100 full AGM assessment** scores for the fifth consecutive year from 2018 to 2022, by Thai Investors Association (TIA)
- PSL has been certified as a **member of Thailand's Private Sector Collective Action Coalition Against Corruption** (CAC) since August 2019.
- PSL is the **Highest-ranked global dry-bulk shipping company** in the S&P corporate sustainability assessment (CSA) rankings for 2021 and in the top 12 percentile of global listed transportation companies for the year 2022.

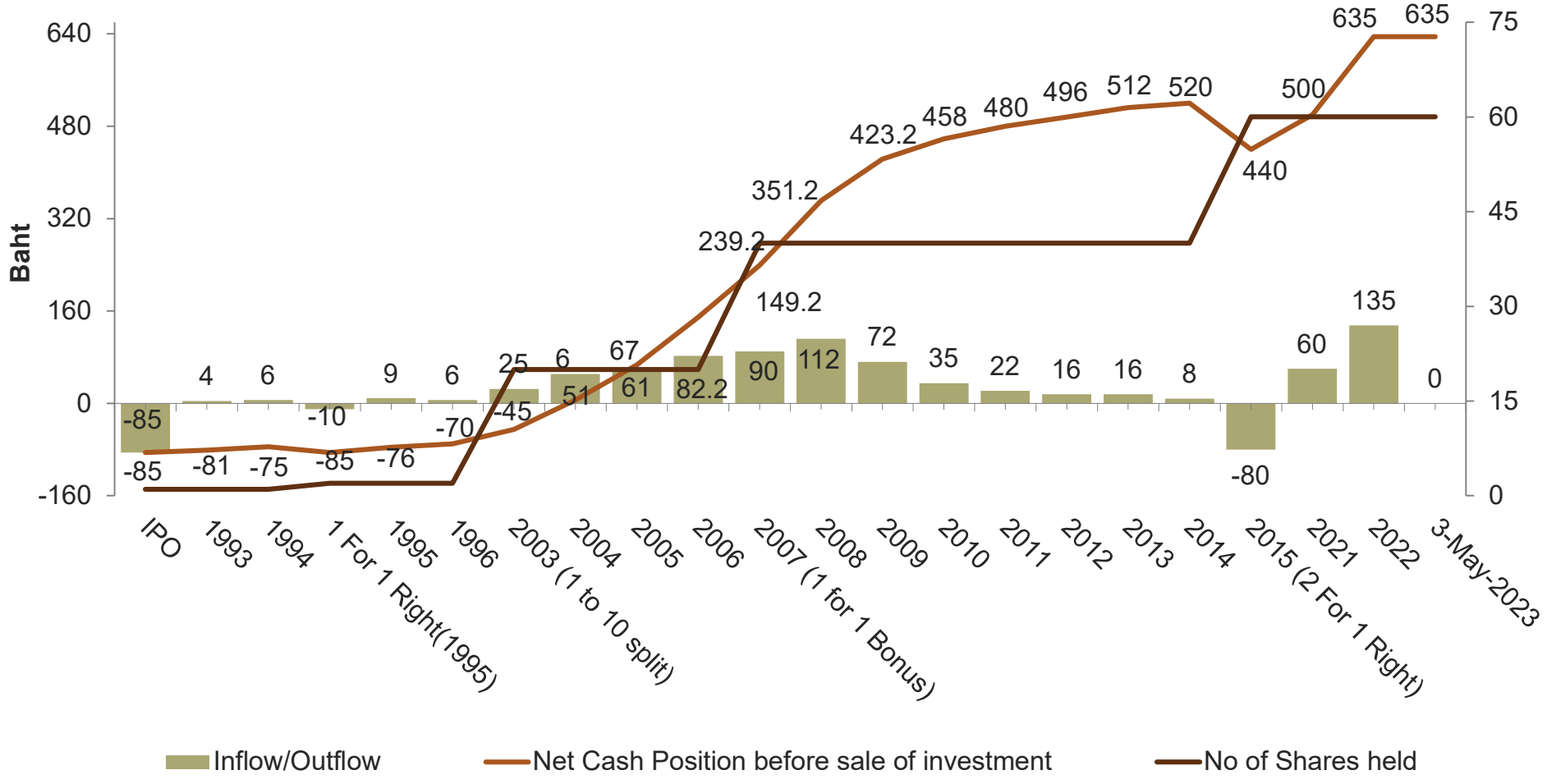
Final food for thought

Final food for thought

- **Demand is expected to grow, over the next couple of years**.
- PSL is a Thai Corporate, but **we have zero business out of Thailand**. **The weaker the Thai Baht, the stronger our EPS in Thai Baht as all our income is in USD**!
- **P/BV is not a good measure anymore, as asset values have fluctuated** significantly, up and down, since the start of the pandemic.
- **Our debt continues to shrink**. This should be **good news for our shareholders**.
- **Demand growth of 1.5-2.5% in 2023**, will be driven by China's economic recovery.
- The dry bulk fleet is forecast to **grow by 2.7% in 2023 and by 0.6% in 2024**. But net supply will be **reduced by 2.0-2.5% in 2023 and 2024** due to lower speeds via compliance with **EEXI and CII regulations**.
- The **supply/demand balance should improve in 2023**.
- **Rates have started recovering as demand picks up in China**.
- **Since 2023, PSL has 16 ships fixed on index linked long term charters which have started to benefit**.

Shareholder's returns

Total return to shareholders: 1993 to 3 May 2023



Basis the 12.20 Baht/share price on 3 May 2023, stockholders have earned a 16.07% IRR since the IPO in 1993.

Investor Relations

Investor relations activities – Q1 2023

The Company has joined many events for press/analyst briefings, which are attended personally by the Managing Director, the Executive Directors and/or IR team. Some of the major events in which the Company participated in Q1 2023 are enumerated herein as under:

Year/Times	Analyst Meetings/ Communications	Investors Meetings/ Communications	Presentations Road shows	Press & TV Interview	Total
Q1 2023	9	9	1	0	19

Virtual Conference / Meetings (Times)	Domestic	Hong Kong	Singapore	USA	Europe	Other countries
Q1 2023	5	-	6	-	-	-

Year/Times	Analyst Meetings/ Communications	Investors Meetings/ Communications	Presentations Road shows	Press & TV Interview	Total
2022	29	15	9	11	64
2021	69	19	11	14	113
2020	29	26	10	4	69

Thank You !

Precious Shipping Public Company Limited

Website: *www.preciousshipping.com* | ***E-mail:*** *psl@preciousshipping.com, ir@preciousshipping.com*

Precious Shipping Public Company Limited

SET Opportunity Day Q1/2023 held on 10th May 2023

Questions & Answers

1. **Please provide an overview of the business and industry in Q2/2023. Will it be better than the previous quarter and the same quarter last year? If so, how different will it be and why?**

   Answer: The Company cannot give any forward-looking statements. We will only be able to determine how much better it is compared to last year once the year is over.

2. **What is the forecast for dry bulk shipping rates in Q2?**

   Answer: The Company cannot give any forward-looking statements.

3. **What are the bulk cargo demand trends for Q2/2023 and the second half of 2023?**

   Answer: We provide annual numbers sourced from Clarksons. The demand trend figures until the end of 2022 are in the presentation.

4. **What is the current size of the PSL fleet in terms of the number of ships, and what is the average age of the fleet?**

   Answer: As mentioned in the presentation, the current size of the PSL fleet is 38 ships, and the average age of the fleet is 11.2 years

Precious Shipping Public Company Limited

SET Opportunity Day Q1/2023 held on 10th May 2023

5. **What is the target revenue growth rate for the year 2023, and what percentage growth is expected year on year?**

Answer: We do not have any specific targets for revenue growth, and the Company cannot give any forward-looking statements.

6. **What is the investment budget in 2023, and how much of it has been used in Q1?**

Answer: We do not have a specific investment budget for 2023, and we have not invested in any new ships during Q1.

7. **What is the planned investment for Q2, and which sector does the Company plan to invest in with the allocated budget?**

Answer: We don't have a specific investment budget for 2023, and as of Q2, we have not made any investments. However, if we do make an investment, we will certainly make an announcement to The Stock Exchange.

8. **Are there any plans to sell vessels in 2023 or purchase new ships for the fleet?**

Answer: We are open to exploring opportunities to purchase younger ships that meet the latest energy efficiency standards, whether they are new or second-hand vessels. If we do acquire younger ships, we may also sell some of our older vessels. However, there are no specific plans in place to sell any vessels at this time.

Precious Shipping Public Company Limited

SET Opportunity Day Q1/2023 held on 10th May 2023

9. **How is compliance with EEXI regulations monitored, and is there any differentiation in the market between compliant and non-compliant vessel owners? The investor would like to ensure that there is no differentiation in the market (2 Tier market) between vessel owners who comply with EEXI regulations and those who do not.**

Answer: These were the same types of questions that were raised when IMO 2020 was implemented, which required a transition on the 1st of January 2020 from burning high sulfur fuel oil to burning very low sulfur. At that time, compliance on the first day was higher than 98%. We don't think there will be any difference this time around with the EEXI. To remind you, the calculations for EEXI compliance and any engine power limits that needed to be put in place to slow down the ships were supposed to have been completed last year. As of the 1st of January, ships that had been tested by the classification societies would have already been performing. The only gap that exists is if a ship has an annual survey in 2023, for example, in January or February, and it is rescheduled to December 2022. The next annual survey will be in December 2023, at which time that ship would have to comply with the EEXI rules and regulations. This is the only compliance gap, but it's all in accordance with the law, which states that compliance must start on the date of the annual survey, special survey, or dry dock survey during 2023, starting in 2023. Most ship owners would have completed the compliance part by getting the calculations done by the classification societies during 2022, and whenever they reach that annual survey date, they would complete the survey and reduce their speeds from that date onwards.

The verification of compliance with the EEXI regulation would be carried out by both class societies and flag states. Ships failing to meet the requirements of the EEXI regulation would be prohibited from engaging in the vast majority of lawful trading activities. Although there might exist a small number of non-compliant vessels operating outside the regulations, we anticipate this number to be marginal. Consequently, the emergence of a two-tier market as a result of the EEXI regulation is highly improbable.